File No. 459 A
1905

Collection No.

107 page

Mysore Residency

28/2/47

Pros. Serial Nos. 1 – 58

Subject.

Orders of the G. of I. on Chapters III to VI of the Excise committee's report relating to the consumption of country spirit, its production and duty

Previous References.

Later References.

F 93/14

S. 97. (Blue).

DCEP—6788&P—(G-1035)—10 3-30—1,00,000.

E. F.S.—4-1907.—1,000

RESIDENT'S OFFICE.

Note Sheet.

File No. 459 of 1905

Letter No. 2954 Exc, dated 2995-Exc, 2996 Exc & 2997 Exc from the dated 16. Aug 1907, from the Govt of India, Finance Dept.

SUBJECT.

Orders of the Govt of India on the recommendations contained in certain chapters of the Report of the Indian Excise Committee, 1905-1906.

Probably copies of these resolutions may be received from the Foreign Dept in due course, but in the meantime, they may be sent to the Collector, Ct on Shimoga, for report as to the action that should be taken in connection with the Excise administration of the Ct in future.

Four drafts are submitted for approval, in order to enable each question being dealt with separately on receipt of the Collector's reports

H.
15/11/07

P
15/11/07

Rest These resolutions have been received already in connection with Coorg Excise. The Coll^r in consultation with

✓

the Deputy Comr. F. Abkari can now

submit proposals based on them for

the amendment of our present Excise

17/6/07.

Issued No 4354 dated 20th June 1907 S.2.

E. P. B.—6-1907.—2,000.

RESIDENT'S OFFICE.

Note Sheet.

File No. 4594/1905

Letter No. Pol. 525 *dated* 2nd January 1906
from the Surgeon Lambton

SUBJECT.

Enhancement of the still head duty on arrack

The Lambton's attitude against any enhancement of the existing rate of duty on arrack appears to be reasonable, but before their views are ~~communicated~~ further considered ~~to the Govt. of India~~, it may perhaps be as well to have a report on the Lambton's letter from the Collector, Colombo Station, in communication with the Abkari Dy Commr., Maradana. If approved, the Collector may be addressed accordingly

A

A.I.
10/1/06

W/1/06

Note: 2. but may not as at A. There seems no necessity to address the S.P.'s but perhaps we might send him DF, a copy of the letter to show him officially

4

the Durban decision.

11/1

3. Please send Durban letter to Collector for remarks particularly as regards powers of the Deputy Chairman in the Local Station as stated by a comparison of the figures of annual consumption

Sec F.
12/1

Draft letter to the Collector, Durban is submitted for approval.

AS
13/1/08

13/1/08

Ethel No 364 of 20.1.08

8 b

R. P. B.—9-1908.—2,000.

B

RESIDENT'S OFFICE.

Note Sheet.

File No. 4594 of 1905

8l 8

Letter No. 4235 *dated* 31st December 1908
from the Collector, Chittagong.

SUBJECT.

Enhancement of the Stiff head duty on assets.

Flag A

Please see note on Sl. No. 5.

2. Considering the prices of food grains in 1897 in the Chittagong as compared with those in 1908 the increase of demand now for labour the increase in the wages of the labourers as reported in the Collector's letter No. 4235 dated the 31st December 1908 do not seem to call for any increase in the stiff head duty that is now levied on assets, more especially because there has been a steady decline in the consumption of assets. The Board's attitude against an increase of duty is strongly expressed in their letter of

A.S. 2nd January 1908.

3 The Excise Committee's recommendation that the duty in Chittagong might be raised has been commented upon by the Govt. of India, and a report is due to the Govt. of India as to the extent to which the recommendation

Para. 52 of Sl. 1

with

will be adopted - If approved, the Govt of India might be informed that the Trustees are anxious to increase the still heads duty on whisky in Bengal & Burma for the reasons given in their letter of 2nd January 1908 (a copy of which might be sent) & that it is not therefore possible to take action in the direction of Burma. If it be considered desirable, the reports of the Chemist & the Trustees may perhaps be first referred semi officially to the Inspector General of Excise for advice as to the further action that might be taken in the matter.

H.
6/2/09

4. This subject is in a way connected with the question of the reduction of the strength of cream from 25° to 20° U.P. which has been remitted to the Durham for further consideration in our letter No 638 of 1st Feb 1909 (F 26 of Feb 1897 & Lloyd 1905)

The Durham reply to that letter may perhaps be awaited

6/2/09

5 It does not appear necessary to await the Durham's reply on the proposal

Notes-*continued.*

Margin for binding not to be written on.

reduce the Standing Attack from 20

to 25°. H. P.

b. The present case stands as follows:

G.V. Rosher D/16/5 1907

A reply is due by G.V. as by the extension which the Board is prepared to adopt certain proposals which include the raising of the still-head duty on Attack. This suggestion is based upon para 106 of the Excise Committee's report (1905-1908) which states:-

para 106 of Excise Cmd's report

"the Bangalore trade has been no increase of duty since 1897, but "there has been a considerable "improvement in the purchasing power of "the drinking classes. The Board of "Revenue is quite prepared to increase "the duty now. To do so will involve "the co-operation of the Mysore Durbar "in respect of the duty in the Bangalore "City & the acceptance by it

Margin for binding not to be written on.

Notes—*continued.*

Margin for binding not to be written on.

Still-head duty should be raised, but made no suggestion as to the extent of the increase

"The duty in Bangalore [Rs 5-15-0 per proof gallon] might be raised with the co-operation of the Mysore Darbar in respect of a corresponding enhancement in the duty in Bangalore City"

9 The recommendation of the Govt of India was sent to Coss for report as to the action which it appeared desirable to take known [Resolution No. 4354 D/$\frac{20}{6}$07]. In his reply D/$\frac{28}{8}$07 Coss recommended the proposal of the DC Akbari that the still-head duty should be raised to Rs 6-4-0 per proof gallon [i.e. Rs 5-4-0 per gallon 20° U.P.] provided the Darbar were prepared to take similar action in Bangalore City as in their

R. P. B.—11.08.—1,000

Margin for binding not to be written on.

case it would be necessary

for a belt [say, 3 miles wide] round

the City & at Mr. Stevens's for some

stretch 52 yds [width there 44 yds

H.B. Restriction upheld & observed]

10 On $\frac{20}{9}$ 1907 the Barber was asked

for their views on the H.B. restriction just

referred to, so far as it deals with

the question of still-head duty in City

of Cr's letter D/$\frac{28}{8}$07 was enclosed

11 The Barber replied in detail on $\frac{2}{1}$1908

declining & urging the proposal to

raise the still-head duty from 5-15-0

to 6-4-0 for proof gallon — The reason

given for this decision is not the one expected

would stimulate the consumption of

imported foreign liquor at the expense of country

Spirit & would have effect adversely the Revenues of the State

12 Right will probably not be prepared to agree with his argument as, in his opinion, Attacks could be replaced, if replaced at all, by DD Rum [ie 'Foreign Liquor' manufactured in Bass City & paying Excise to the State State] & not by imported Foreign Liquor paying duty only to the Brit. Govt.

13 After the same time, the Barber give other reasons in their letter D/ 2/1/08, for opposing the proposed Change. This letter was forwarded on 20/1/08 to C.R., C & E Stockton, for comment - special attention being directed to the Barber's contention that the purchasing power of the drinking classes

Revenue increased

14 The Barber's other reasons' just rejected by FAR's opinion given each are as follows:-

(1) The purchasing power of the drinking classes has not increased.

FAR's opinion is that it is my duty to take has been an increase which would warrant an increased still-head duty. Wages have undoubtedly gone up - but so has the general level of prices & people may not be supplementing (alleged) their reduced consumption of spirits.

(2). The proposal to raise the still-head duty from £5-15-0 & £6-4-0 per proof gallon is contrary to the policy of the Spirits Act laid down in para 51 of

The Barber's contention appears sound. The Board's revised fee is 12½% & 6½% for country spirit per proof gallon as against 4½% for imported liquor. The Chancellor's maximum will therefore be £6, as

Notes—*continued.*

13

9

this Resolution D/16 3-1907 [illegible] against the proposed A 6-4-0 The present rate is A 5-15=0 Enhancement therefore does not appear to be called for

rate of duty on country spirit should be above A 7 below the tariff rate of duty [A 7 proposed] to, in particular, [para 49 of the Resolution] where the rural fees on country spirit considerably exceed those on imported liquor

(3) The present rate [A 5-15=0 proposed] is higher than the average in any distilling area in British India proper.

This appears to be the case — vide para 10 of the S.N. Resolution D/16 3-1907.

D-T D.

8 P. B.—7-08.—1,000

15. The remarks in para 6 & 7 of Darbar's letter D/$\frac{2}{1}$/1908 in reply to the recommendation made in para 108 of the Report of the Darbar should accept the principle of differentiation between the royal apes - The Darbar's reasons for holding that the conditions calling for such differentiation are absent, appear debatable and the suppression of the famine clause and of para 49 of the G.O. issued with D/$\frac{16}{5}$/1907

16. Draft of G.O. attached for reasons (1) (2) & (3) above. Rule is, upon further consideration, more desirable to issue the Still-hunting Duty Certificates for periods of A 5/- 15/- per thirty days.

Rule

17. Under the G.O. the Darbar will issue Duty Certificates in triplicate, of which one will be retained in the Darbar's office, one will be delivered to the applicant & one by the Darbar's Forest Officer to the Range Officer.

61/-

Please Draft

Rar

Tr 14/2/09 Gp Mukhal

Draft letter to the Govt of India, Finance Department, is submitted for approval.

HS.
14/2/09

Issue Draft L

Tr 15/2/09

Rajsk

Please see draft.

17/2

Issue

Tr 15/2/09

Rar

Issued letter No. 1396 dated 3-3-09

SL-9.

R. P. B.—3-1909.—2,000.

RESIDENT'S OFFICE.

Note Sheet.

File No. 459/A of 1905

A. 10

Letter No. 1836 Exc *dated* 13th April 1909
from the Govt of India, Finance Dept.

SUBJECT.

State head duty on County Property in the U.P. on State

The decision of the Govt of India may be communicated to the Collector, Cawnpore, Station, & the Raja of Bharwa.

Draft letter is submitted for approval.
Issue and papers to Asst for info

A.I.
20/4/09

To 20/4/09

Asst.

Issued No 2405–2408 of 22. 4. 09 &
Submitted to Resident for perusal

25/4

27/4

Margin for binding not to be written on.

Office Note.

File No. 452 A / 1905

Letter No. Ex. 9. No. 14/7 dated the 2nd June 1916
S. 32. from the Commr. Customs etc. Bombay

SUBJECT.
Wanting certain information

Draft Submitted for approval

Kvk 3.7.16. AG 3/7. Issued

S. 33 Issued No. 4665 of 3rd July 1916.

S. 34. Letter No. Pol 43 dated the 11th July 1916. from the Dunbar

Draft Submitted for approval

Kvk 12-7-16. AG 12/7. Issued 12.7.16.

S. 35 Issued No. 4921 of 12th July 1916.

S. 36. Letter CR. M. 1293, dated the 8th June 1917 from the Comm. of Customs etc, Bombay

Draft Submitted for approval

Kvk 11.6.17 AG 11/6 Issued 12-6-17

S. 37 Issued No. 4522 of 12. 6. 917

S. 1—E. F Dp—2-1914.—10,000

Letter No. Pol 1255, dated the 19th June 1917 S.38

from the Durbar

Margin for binding not to be written on.

Draft submitted for approval

20.6.17

Issued no. 4896 & 25th June 917 S.39.

Letter no. Pol. 17, dated 7th July 1917 81 46
from the Mysore Durbar.

Please see Nos. 44 and 45: and Nos. 42 and 43
draft submitted for approval.

9-7.

Issued no. 5438 & 11th July 917 S.47.

Margin for binding not to be written on.

Office Note.

File No. 459A / 1905

Letter No. 64, *dated the* 7th February 1921

from the Collector, C. & M. Station.

SUBJECT.

Proposal to raise the Still head duty on arrack.

The Collector proposes that the Still head duty on arrack should be raised from Rs 6 per gallon to Rs 7 or Rs 7-8 per gallon from 1st July 1921.

vide flag C

The Board of Revenue stated in para 2 of their letter R.P. No 85-Abkari/19, dated the 5th April 1919, that the best course under the circumstances would appear to be to raise the Still head duty in consultation with the Mysore Govt.

S.99 / 93-1914

The Bangalore Rate levied Still head duty of Rs 6 per gallon of 35° U.P. only in Bangalore City. They may be addressed in the matter.

S.46/a / 459A-08

It is perhaps unnecessary to address the Board of Revenue.

Draft submd. for approval.

CAS. 9/2/21

9/2

Read this

Please see the L.O.C. & the

Enclosures the forgoing with correspondence cited. Also books 1-3 for the years 1918-20

This for notes whether you see any objection to the Still head duty being raised. If not what is said to be raised to Rs 7/- or 7/8/

The Duties with be addressed

S. 1.—E. P. B.—6-1920.—10,000.

Margin for binding not to be written on.

afft notes have been framed by ZA

10.2.21

I strongly agree with

T. and Chancellor

Issued no. 1731 & 15. 2. 1921

S. 49.

NOTES AND PRECIS.

S. 6.—R. P. B.—2-1918.—2,000.

No. 2994 Exc.

GOVERNMENT OF INDIA.

FINANCE DEPARTMENT.

SEPARATE REVENUE.

Excise.

RESIDENT'S OFFICE,
BANGALORE.
Register No. 2886
Date of Receipt 23-8-07
File No. 455/113

RESOLUTION.

Simla, the 16th May 1907.

In this Resolution the Government of India propose to consider the recommendations made by the Excise Committee in Chapters III to VI of their Report, along with the relevant portions of Major Bedford's Report on the "Quality, Manufacture and Excise control of alcoholic liquors in India". The portions of the Excise Committee's Report which are here brought under review are the most important of all, for they deal with the question of the consumption of country spirit and the methods by which its production and taxation should be controlled.

2. The main object underlying the reforms in Excise policy and procedure which the Committee were called on to consider is of course the regulation and restriction of consumption. The Government of India, as observed in paragraph 2 of their Resolution No. 5001-Exc., dated the 7th September 1905, appointing the Committee, have no desire to interfere with the habits of those who use alcohol in moderation, and deem it necessary to make due provision for the needs of such persons; but their settled policy is to minimise temptation to those who do not drink and to discourage excess among those who do. Fiscal considerations in connection with the liquor traffic are important, not as an end in themselves, but simply because, as stated in the Resolution in question, the most effective method of forwarding the policy of Government in regard to consumption is "to make the tax upon liquor as high as it is possible to raise it without stimulating illicit production to a degree which would increase instead of diminishing the total consumption, and without driving people to substitute deleterious drugs for alcohol or a more for a less harmful form of liquor".

3. To deal first with the last mentioned consideration, Major Bedford has shown (pages 140 and 141 of his Report) that such injury to health as arises from alcoholic indulgence is due purely to excessive consumption, and not to any specially toxic properties of any particular kind of liquor. Fermented liquors are more wholesome than spirit simply because they contain less alcohol, an advantage which manifestly may be neutralised by their consumption in larger quantities. As between the various classes of spirit, it is clear from the result of Major Bedford's enquiries that the commonly prevailing idea that cheap imported spirit is specially pernicious is unfounded. So too (*vide* pages 18 and 205 to 208 of Major Bedford's Report) is the similar idea that outstill spirit, and spirit produced by the crude processes in force in

central distilleries, are materially worse in quality than even the better classes of imported spirit, or than spirits made in India by European methods. Spirit produced by native processes is no doubt defective in some respects—mainly in regard to excess of acidity due to inferior methods of distillation; but these defects can be removed by concentration of the centres of production and by improvement in methods. The conclusion at which Major Bedford has arrived (pages 153 to 155 of his Report) is that it is unnecessary to lay down any tests of quality or standards in respect to spirit in general and country spirit in particular, and in this conclusion the Government of India agree.

4. This conclusion is, however, in no way inconsistent with the suggestion, made in paragraph 47 of the Excise Committee's Report, that in Contract Distillery areas the contract distiller should be bound to produce liquor of a certain quality or purity. The fact that it is found to be unnecessary for the State to interfere on hygienic grounds in the matter of quality, where liquor is subject to ordinary trade competition, does not debar it from such interference when it has, by its own action, given a particular producer the monopoly of production of country spirit in a specified area. In the latter case it is bound to see that the producer does not abuse his position, and it may and ought to require, as one of the conditions of the contract, that the liquor produced shall not be unwholesome. While, therefore, it would be unnecessary and undesirable to prescribe any general standard of quality or purity for contract distillery liquor, which will be produced in future in distilleries working under varied conditions in different parts of India, it should certainly be provided that the liquor issued from every such distillery shall be subject to periodical analysis, and that the distiller shall be bound to take steps to remedy defects in his product which the provincial Excise Commissioner may consider material.

5. As regards consumption, it was pointed out by the Hon'ble Mr. Baker in his speech on the Budget of 1905-06, that there are no means of obtaining any statistics for outstill areas, and this is one of the bad features of the system. The Excise Committee have, however, found (paragraph 73 of the Report) that the system is "responsible for a great tendency to increase of drinking". The objections to a system which affords no adequate check on consumption by the imposition of quantitative duty are indeed patent, and the only defence which can be made on behalf of outstills is that they must be maintained in tracts where it is impossible, under present conditions, to exercise the adequate control which the successful working of a distillery system demands, and that in these cases it is obviously better to impose a lump tax on liquor than to have none at all.

6. As regards the distillery areas which, as shown by the Hon'ble Mr. Baker in his Budget speech just referred to, have been largely increased of late years at the expense of the areas under outstills, and are now in process of still further increase in the Central Provinces and in Bengal, the statistics then quoted by him and those given in paragraph 72 of the Excise Committee's Report show the very abstemious character of the population as a whole. The majority of that population is, however, composed of habitual abstainers, and no doubt in certain areas some classes of the population drink to an extent which it is desirable to check by improved distillery and preventive arrangements and by enhanced taxation.

7. The areas found by the Committee (paragraphs 77 to 91 of the Report) to be those of relatively high consumption are set forth below :—

(*a*). In *Bengal* consumption is mainly confined to three distinct tracts—one comprising Calcutta and its neighbourhood; the second the Darjeeling district; and the third, and most important, the greater part of the Patna division, two districts of the Bhagalpur division and three districts of Chota Nagpur.

(*b*). In *Eastern Bengal and Assam* consumption is highest in the Dacca district. The Dacca division as a whole is also responsible for a considerable consumption of cheap imported spirits.

(*c*) In the *United Provinces* the area of greatest consumption adjoins Bihar and stretches up the Gogra and Jamna rivers as far north

as Lucknow, the bulk of the consumption being, however, confined to large cities and cantonments. The consumption in the districts of Agra, Bareilly and Dehra Dun is also high.

(*d*) In the *Punjab* high consumption is confined to a tract consisting mainly of the Sikh districts of Lahore, Amritsar, Ferozepore, Jullundur and Ludhiana, and the cities and cantonments of Simla, Ambala and Rawalpindi. Illicit distillation is rife in some of the central districts, the consumption of illicit liquor being estimated to be at least equal to that of licit.

(*e*) In *Madras* there is a very large consumption of toddy, and consumption as a whole is more equally distributed than in other provinces.

(*f*) The *Bombay Presidency proper* consumes more than one-third of all the distillery liquor drunk in India. The area of highest consumption comprises the city of Bombay and the adjoining districts of Thana and Kolaba, together with those of Surat, Broach and Khandesh. Next come the cities of Ahmedabad, Nasik, Ahmednagar, Poona, Sholapur, Satara, Belgaum, Dharwar and Hubli; next the south coast districts of Kanara and Ratnagiri; and then the districts of Panch Mahals and Kaira.

(*g*) In *Sind* consumption is large in the towns of Karachi, Hyderabad, Kotri, Shikarpur, Sukkur and Rohri.

(*h*) In the *Central Provinces* consumption is highest in the town and cantonment of Jubbulpore, and in the districts of Bhandara, Chanda, Ellichpur and Betul, the last three of which are largely inhabited by aboriginal tribes.

(*i*) In *Coorg* the rate of consumption per head is higher than in any other province, and that of *Ajmer-Merwara* is only exceeded by Coorg, Bombay and the Central Provinces.

(*j*) In the *cantonment areas in Native States* figures of consumption are available only for Bangalore and Nowgong and in both of these the consumption is high.

8. A relatively high consumption in particular areas is of course largely determined by causes which are beyond the control of Government, *e.g.*, considerations of race, caste and religion, climate and occupation. Moreover, as regards occupation, the industrial development of India, diverting agricultural labourers to large towns, where they are employed on relatively high wages on exhausting work, and are at the same time free from the checks afforded by local public opinion in their own villages, is bound to lead to larger consumption. So also, as in all countries, will agricultural and trade prosperity. In some cases too, as in the instance of Khandesh, noted in paragraph 84 of the Committee's Report, an apparent increase in consumption is due to more efficient control of illicit practices, and the greater the reform in this direction the larger will be the diversion of consumption from illicit to licit liquor. Lastly, the backward outstill areas contain, generally speaking, a larger proportion of drinkers than the more advanced distillery tracts, and their absorption in the latter will tend *primâ facie* to raise the average rate of recorded consumption.

9. On the other hand consumption is in many cases higher than it need be owing to causes which it is in the power of Government to remove or lessen by more adequate preventive arrangements, better Excise systems—including greater care as regards the number and situation of shops, a matter which will be dealt with in connection with Chapter XI of the Report—and higher taxation. These considerations apply *in toto* to the areas to which it would have been possible to apply a distillery system but which have been hitherto left under outstills, and in part, as the Committee have shown, to the distillery areas also.

10. As regards the latter, the following figures will make this clear. For the year 1904-05, on which the Excise Committee base their statistics, the provincial figures as regards consumption are as follows, the provinces being arranged in inverse order of consumption, as compared with population, in distillery tracts. It must be borne in mind in considering this statement that the average provincial figures of duty and total taxation represent, as a rule,

the net resultant of a number of different rates of duty applied to different districts :—

Province.	Consumption of country spirit per head of population in distillery areas in 1904-05 in drams per annum.	Percentage of country spirit revenue derived from distillery systems.	Percentage of country spirit revenue derived from the outstill system.	Average rate of duty per proof gallon in distillery areas in 1904-05.	Total average taxation per proof gallon in distillery areas in 1904-05.	Remarks.
				R a. p.	R a. p.	
Eastern Bengal and Assam.	0·1	15	85	4 0 2	8 8 10	
North-West Frontier Province.	0·4	100	Nominal.	4 0 0	7 4 3	
Punjab . . .	0·7	100	Nominal.	4 0 0	6 1 4	There is a large amount of illicit consumption in the Punjab.
Bengal . . .	1·4	51	49	3 8 1	5 8 7	
Madras . . .	1·7	96	4	4 1 2	5 13 2	Madras has a large consumption of fermented liquors.
United Provinces . .	1·8	88	12	2 11 7	3 13 7	
Sind	2·7	100	...	5 0 2	5 3 9	
Ajmer-Merwara . .	4·8	100	..	2 10 5	2 10 5	
Central Provinces proper.	5·4 (a)	58	42	2 0 2	3 10 0	The consumption of opium and hemp drugs is relatively high, and there is considerable consumption of fermented liquor in parts of the province. The number of country spirit shops is also higher in proportion to population than anywhere else in India.
Berar		64	36	3 1 8	5 8 3	
Bombay proper . .	7·4	100	Nominal.	3 3 1	3 12 1	In the area under the District Monopoly system the average total taxation is R3-2-5.
Coorg . . .	7·7	100	...	5 0 6	5 5 10	

(a) The average consumption per head seems to be much the same in Berar and the Central Provinces proper.
Note.—It may be explained in connection with the above figures that they relate to a year antecedent to the institution of considerable Excise reforms now in course of adoption in the Central Provinces and Bengal.

11. The above figures show that, taking the major provinces, in Bombay, where taxation is lowest, the relative consumption in distillery areas is highest, a situation which may be largely attributed to the operation of the District Monopoly system. This system, apart from the fact that it is accompanied by a low rate of taxation, leaves preventive work which should properly be undertaken by Government largely in the hands of the district contractors; and, as the Committee have indicated in paragraphs 34 and 85 of their Report, this delegated function is not satisfactorily discharged.

In the Central Provinces the number of shops was formerly excessive, but this is now being reduced. Moreover, the rate of duty under the lately superseded Modified Bonded Warehouse and the Sadar Distillery systems was low.

In Ajmer-Merwara the District Monopoly system is in force and the rate of taxation is low.

In Coorg and Berar, though the rate of taxation is fairly high, the rate of consumption is much above the average for India, which the Committee estimate in paragraph 86 of their Report as 2·1 drams per head of population per annum. The reason assigned for the high consumption in Coorg is that the population contains a large proportion of drinking classes who get good wages while the preventive arrangements are defective, illicit distillation being rife. The Committee do not give any special explanation as regards Berar.

Again, in a number of the districts which the Committee have noted as areas of relatively high consumption, the existing rate of still-head duty is lower than the general average for the province to which they belong.

12. There is in fact adequate evidence to show that in many instances the duty is unduly low, and occasionally that it has been reduced in recent years,

such reduction having had the effect of increasing consumption, as in the case (referred to by the Committee in paragraph 94 of their Report) of the Bengal districts noted in the margin. Similarly, in paragraphs 78 and 80 of the Report it is pointed out that in Bengal high rates of district taxation are accompanied by low consumption, and *vice versâ*, and that in the United Provinces the majority of the districts of high consumption are those which show the lowest incidence of taxation.

Gaya, Saran, Champaran, Mozuffarpore, Darbhanga, Monghyr, Bhagalpore and Midnapore.

The above remarks indicate that in present circumstances an advance of taxation is in many cases feasible and desirable.

13. The measures which the Committee propose for restriction and better control of consumption will now be considered. The first and most obvious necessity is to curtail the outstill areas as far as possible. A vigorous policy towards this end had been initiated in Bengal and the Central Provinces before the Committee assembled. In Bengal the programme submitted by the Local Government in 1904-05, and approved by the Government of India, involved the ultimate extinction of most of the outstill tracts in the present province, and a beginning has already been made in this direction by the abolition of the outstill areas in Midnapur and Cuttack, and the application of the distillery system to Darjeeling, the whole of which district was formerly under outstills. In the Central Provinces, as the Excise Committee state (paragraph 21 of the Report), the outstill system formerly in force over he greater part of the province has already been restricted to the central range of the Satpuras and the hilly and backward country in the south of the Chhatisgarh division, and will ultimately be narrowed down to the zamindaris of Raipur, Bilaspur and Chanda and a part of the Mandla district.

14. In the other provinces in which the outstill areas were large in 1904-05, *viz.*, Eastern Bengal and Assam, the United Provinces, Baluchistan and Madras, the position is now as follows (paragraph 21 of the Report) :—

(1) In Eastern Bengal and Assam, a Contract Distillery system has been introduced in the Sibsagar district of Assam, and this will gradually be extended throughout the tea garden districts, while it is understood that the Local Government contemplates the eventual abolition of outstills throughout the whole of Eastern Bengal.

(2) In the United Provinces portions of the outstill areas have already been brought under distilleries, and it is hoped in course of time to reduce the former till outstills are confined to the hilly portions of Garhwal and Almora, and isolated parts of the Pilibhit, Kheri, Gonda, Bahraich, Agra, Etawah, Jhansi and Mirzapur districts.

(3) In Baluchistan (at present entirely under outstills), where the bulk of the population consists of Muhammadan abstainers and liquor consumption is confined to cantonments, trade centres, and the country along the railway lines, no steps have yet been taken. But the Committee recommend the application of a distillery system to the Quetta-Pishin and Sibi districts and to places on the railway, thus rendering the retention of outstills necessary only at a few outlying stations, such as Fort Sandeman and Loralai.

(4) In Madras, where the bulk of the outstill areas consists of the wild agency tracts of the Northern Circars, the Committee propose the gradual extension of the Contract Distillery system as communications are improved and general development progresses, and instance certain tracts in the eastern portion of the agencies and elsewhere in which it may be possible to make this advance at no distant date.

15. To turn to tracts in which outstill areas are already a matter of relatively little importance, it is proposed in the Punjab to adopt a policy of complete abolition. The cantonments in Central India are, under orders recently conveyed to the Agent to the Governor General, to be brought under

the Contract Distillery system. The Committee further propose the application of a distillery system to the Deesa cantonment and to those which exist in the Hyderabad State.

16. In the opinion of the Government of India the programme outlined above is an excellent one. If fully carried out, it will, as stated in paragraph 21 of the Committee's Report, confine the operation of the Outstill system to a large block of feverish and inaccessible country lying between Chota Nagpur and the Godavari and to certain small areas of the United Provinces, Madras, Bombay and Baluchistan, which for special reasons cannot be brought under more advanced arrangements. It may, however, be possible to reduce this area in the Madras Presidency by the elimination of the Chavakkat Deputy Tahsildar's division and of British Cochin which could be brought under a distillery system, provided that the Cochin State is willing to adopt such a system in respect to its own territory. The Governor General in Council would suggest to the Government of Madras that the Cochin Durbar should be addressed on this subject.

17. As regards the areas which it may be found necessary to retain under the Outstill system, the Committee were asked in paragraph 8 of the Resolution of the Government of India No. 5001 Exc., dated the 7th September 1905, to consider how far the evils to which the system is subject could be minimised by the following measures:—

(1) By bringing the quantity of the outturn under stricter control.
(2) By making the incidence of taxation bear a more definite proportion to the outturn.
(3) By improving the quality and regulating the strength of the liquor.
(4) By preventing the smuggling of outstill liquor into distillery areas.
(5) By prohibiting the sale of liquor to children or to drunken persons.
(6) By checking the occurrence of drunkenness in the neighbourhood of shops or stills.
(7) By securing a reasonable degree of conformity with local public opinion as to the location of shops.

The Government of India accept the conclusion of the Committee that the adoption of the first three of the above suggestions is unnecessary, since if circumstances admit of the exercise by Government of a sufficient measure of control to enable it to carry out such a policy in respect of outstills, the proper method would be to introduce a distillery system. The other measures suggested are clearly desirable.

The attention of Local Governments is invited to the suggestion of the Committee that, in order to check the smuggling of outstill liquor into distillery areas, the establishment of a shop or still within a fixed limit of the outer border of an outstill area should be prohibited, and that the most effective means of obtaining the other objects specified is the appointment of a responsible staff. The main duty of such a staff would be the control of shops and it should serve to prepare the way for the introduction of the distillery system.

18. Questions relating to shops and establishments will be more fully discussed in reviewing Chapters XI—XIII of the Report. Meanwhile, it may be noted that where outstill areas are to be retained either temporarily or permanently, the number of shops should be reduced when possible, as is proposed by the Committee in the case of the Madras Agency tracts and in the Central Provinces. In the latter province this policy has already been approved in paragraph 6 of this Department's letter No. 3947 Exc., dated the 11th July 1905. Steps should also be taken, as the Committee suggest, to put a stop to the hawking of liquor and its sale in weekly markets. Their further suggestion that liquor vendors in backward areas should be debarred from lending money or acquiring land is, in the opinion of the Government of India, impracticable and would certainly be evaded.

19. In paragraph 92 of their Report the Committee refer to the suggestion made by a local Excise Commissioner that distillery liquor should be

issued to outstill areas free of duty. This course would, as the Committee evidently consider, be an ineffective *via media*. If it were possible to ensure that liquor so issued would become the staple of consumption, it should also be possible to introduce a regular distillery system.

20. The question of the system of Excise management to be adopted in distillery areas will now be considered.

In paragraphs 9 to 13 of their Resolution No. 1975 Exc., dated the 6th April 1905, and in paragraph 10 of their Resolution No. 5001 Exc., dated the 7th September 1905, the Government of India advocated the policy of concentrating the production of country spirit in a relatively small number of well-equipped distilleries working by European processes. The object which they had in view was two-fold, namely—

(1) Production of more wholesome liquor.
(2) Greater security to the revenue, as production in such distilleries could be more adequately controlled, and the spirit turned out therefrom could be more readily distinguished from the products of illicit distillation, or from smuggled imports from outstill areas.

The fact that the products of the crude central distilleries are, as explained in paragraph 3 of this Resolution, not at present distinctly worse than those of the regularly equipped distilleries does not affect these considerations. It is clear from the results of Major Bedford's investigations that such spirit is in the generality of cases capable of considerable improvement both as regards diminution of acidity and other defects, and in respect to economy of production. In connection with the latter point it should be explained that the object to be aimed at should be the reduction of the cost of manufacture to a point as low as is compatible with the turning out of liquor of a good quality, with a view to the imposition thereon of high taxation so as to enhance the price to the consumer. This could be effected either by a direct increase of the duty, or by obtaining a reduction of the *ex*-duty price at which contract distillers supply the retail vendors and then securing larger fees from the latter for the privilege of sale.

It has been emphatically stated by Major Bedford that improvements in the above directions can be brought about only by a greater concentration and more adequate supervision of distilleries and, where necessary, by securing the guidance of skilled distillery officers (pages 153, 164, 200, 207 and 208 of his Report). In these views the Government of India entirely agree. No material improvement can be looked for in distilleries which (as in the case of certain of those under the Bengal Central Distillery system) are mere collections of petty stills whose transactions are on a very small scale. It would also be impossible to replace the ignorant and ill-paid distillery officers at present employed over a large part of India by a more adequate and more expensive agency without effecting a corresponding decrease in their number.

21. In Chapter XV of his Report (pages 206 to 208) Major Bedford has raised the question of the relative merits of patent and pot stills and has deprecated the substitution of large capitalist concerns working extensive patent-stills for pot-still distilleries. The Government of India had, however, no intention of prescribing or recommending the general introduction of patent-stills. In Madras, where the Excise Committee have found that the distillery arrangements have reached a stage of efficiency as yet not attained elsewhere, a number of the distilleries work with pot and goose-neck stills (*vide* pages 2 to 8 of the Appendix to Major Bedford's Report). The question of patent *versus* pot stills is really a matter of economy in production, and if, as Major Bedford appears to think, pot-stills can be improved so as to make their outturn as efficient as that of the patent-stills, they will hold their ground.

22. The Government of India observe with satisfaction that the Excise Committee are entirely in favour of a system of concentration of distillation. This involves as a necessary corollary the abolition of the present crude central distilleries where effective control of the distillers' operations is practically impossible, improvement in processes extremely difficult, and the cost of production relatively high, thus leading, as explained in paragraph 20 above,

to economic loss. That policy is already in course of development in Bengal and the Central Provinces and has also been accepted by the Government of Eastern Bengal and Assam.

In the United Provinces, where the central distilleries are of a more advanced pattern than in Bengal, the Committee propose (paragraph 29 of the Report) to reduce their number and, in those that remain, to confine the number of separate distillers to a select few, by insisting on the introduction and maintenance of proper plant, on a stricter system of control, and on the separation of the right of vend from the privilege of manufacture. They contemplate (paragraphs 49 and 50 of the Report) the development of the reduced and improved distilleries which will thus survive into sources of supply under the Contract Distillery system. This system, however, involves the selection of a single responsible contractor or contracting firm for a particular area; and it is presumably the intention of the Committee that where a number of separate distillers exist, these should form a syndicate to take up the contract as a whole, and then make their own arrangements as to the division of their contract district into spheres of influence. In such a case it should of course be understood that Government could recognise only the collective syndicate.

23. Central distilleries are likewise the source of supply in Sind; in the Town and Island of Bombay, and in the coast districts to the south of that city; and in a portion of the Frontier Province. In these tracts of the Bombay Presidency proper the source of country spirit is two-fold, *viz.*, *mahua* spirit, produced at the central distillery at Uran, and toddy spirit, produced in the central distillery at Dadar and at other local distilleries, which the Excise Committee characterise (paragraph 31 of Report) as little better than cow sheds. The Government of India are of opinion that toddy spirit should hereafter be treated as foreign spirit, its production in the Bombay Presidency being limited to the Dadar distillery, and that the taxation thereon should be gradually enhanced up to the full tariff rate levied on imported spirit. Separate orders on this point will be issued in connection with Chapter VII of the Committee's Report.

The question of the future supply of country spirit in Bombay and in Sind is discussed in paragraphs 31 and 32 of this Resolution, and the case of the Bannu distillery (Frontier Province) in paragraph 34.

24. To turn now to the more advanced systems, the Government of India accept the Committee's finding that, in existing circumstances, the best and most suitable is the Contract Distillery system of Madras. The advantages of this system are:—

(1) It steadies prices and thus renders it easier to obtain the full rate of effective taxation both in respect of duty and in regard to the surtax raised on retail vend under the auction system. Its influence in the latter respect is particularly marked, for it enables the shop-keeper to know exactly what price he will have to pay for his liquor, and therefore the extent to which he can bid for a license.

(2) The judicious grant of local monopolies of production in respect to country liquor prevents the undue concentration of distilling interests in the hands of a single firm or combine, for it makes it possible to maintain and encourage other agencies by giving them a certain share of the contracts.

(3) The adoption of this method of mapping the country out into local monopolies of production facilitates preventive and warehousing arrangements.

25. On the other hand, the fact that in order to keep up a diversity of distilling interests it is necessary, in certain cases, to give local contracts otherwise than on free competition as determined by the lowest satisfactory tender, opens out the possibility of the system degenerating, if not very carefully worked, into a system of pure selection accompanied by intrigue and jobbery. The Committee suggest in paragraph 43 of their Report that, after tenders have been invited for the working of the Contract Distillery system in any province, the procedure should be "to strike a bargain on the

tenders, not necessarily in terms of the original offers, in such a way, as to secure the carrying on towards the next lease of as effective a body of contractors as possible ". If this means that the terms of an offer by one tenderer are to be quoted to another, to whom it is desired to give the contract in preference, in order that he may reduce his terms to the same level or a little lower, the procedure would, in the opinion of the Government of India, be absolutely objectionable. The natural and inevitable result would be that tenderers would realise that they were being played off against one another, and would come to preliminary agreements which would make the subsequent tenders the work of a concerted 'ring.

26. The essence of the Contract Distillery system, as properly worked, is that the contracts for the various districts should be given on the lowest terms, as regards *ex*-duty price of liquor, that will be consistent with the main objects of the system, *viz.*:—

(1) That the contractors should be men who have the means to carry out their contracts in a satisfactory manner.

(2) That there should be an avoidance of such allocation of the various district contracts as would place the greater part of the country spirit production of a province in the hands of a single distiller or combination of distillers.

The first condition would, in any case, involve from time to time the rejection of low tenders. The second goes a step further and requires, in some instances, the rejection of a low tender, otherwise satisfactory, in favour of a higher one simply in order to keep up an adequate diversity of producing interests. Such a step should of course be adopted only when it is absolutely necessary on this ground, and then it is no doubt legitimate and proper to ascertain whether the distiller whom it is desired to select outside the working of the competition system cannot be made to abate his terms. But there should be no communication of one man's tenders to another: these should always be regarded as confidential.

Accordingly, in approving the general adoption of the Contract Distillery system, the Government of India consider it essential to issue a warning as to the possibility of its abuse, and to indicate the way in which contracts should be assigned.

27. A contract should be for a period long enough to give the distiller opportunity for employing his capital to advantage, and to tide over any loss which may accrue in an abnormal year, but not so long as to permit of the growth of vested interests. The Committee suggest a term of from three to five years. The former is that which has hitherto been generally adopted in Madras, and should, in the opinion of the Government of India, be sufficient. It must of course be understood that, as the contract relates to the supply of liquor *ex*-duty, the contractor must accept any possible reduction in consumption in consequence of enhancement of duty during the period of his contract. It must be within the province of Government to make such enhancement at any time it thinks fit.

28. In paragraph 42 of the Report the Committee refer to the diversity of practice as regards the provision of contract distilleries. In Madras, in accordance with the practice under the old Free Supply system, the contractors provide their own buildings: elsewhere the provision of buildings by Government is also recognised. The Government of India leave the matter to the discretion of the Local Governments concerned; but they consider that, generally speaking, it is more satisfactory, as laying less initial demand on the distiller, that Government should provide the building. In that case the distiller should pay adequate rent, a rent charge being the only satisfactory method of balancing the advantage which he would otherwise have in the competition for contracts over a distiller who has had to acquire his own premises. The plant should in any case be provided by the distiller, but subject to the condition that if another contractor succeeds him *qua* local distiller in the contract area, the latter may be required to take it over at a valuation.

29. The Contract Distillery system is already the sole system in Madras and in the small province of Coorg, and will eventually be equally

predominant in Bengal and the Central Provinces. A beginning of it has been made in Assam, and it is eventually contemplated to make it the distillery system of the whole province including Eastern Bengal. In the United Provinces, the Committee have, as stated in paragraph 22 above, recommended the adoption of the same system, and the Government of India will be glad to learn whether this suggestion has been accepted by the Local Government.

In Bombay the system has recently been introduced in the districts of Belgaum, Poona, Satara, Nasik, Ahmednagar and Khandesh, and its further extension to the rest of the province is, as explained below, only a question of time.

30. The typical Bombay system has hitherto been that of District Monopoly, the effect of which in its relation to consumption the Committee were specially directed to consider. As has already been indicated in paragraph 11 above, the Government of India entirely concur with the Committee in their condemnation of this system as a permanent Excise arrangement. The system undoubtedly promotes consumption for the following reasons:—

(1) Its essence is a low rate of taxation on liquor, the minimum guarantee being fixed with reference to the consumption of normal years, while abnormal circumstances are met, as was the case in the famine period of 1899 to 1902, by large remissions of the guarantee, as also by the course, which the Committee bring to notice, of allowing large issues to be made during one year which are really intended for consumption in the next. The monopolist thus pays in practice nothing for the right of vend; and the rate of duty is also inevitably lower than it would be otherwise, since the convenient index which auction vend prices afford is lacking as a guide to raise it, and, the contracts being given by pure selection, the same considerations which enable a man to obtain a contract and to secure its periodical renewal will probably also enable him to stave off or defer an enhancement of duty.

(2) As the Committee have found, the contractors sub-let their contracts on terms favourable to themselves, thus securing, as middlemen, profits which should be diverted to the State.

(3) As already indicated, the defective preventive arrangements which the system involves favour illicit practices.

31. It appears from their Proceedings in the Revenue (Miscellaneous) Department for October 1906 that the Government of Bombay now fully recognise the defects of this system, and that it is their intention to replace it by the Contract Distillery system as soon as circumstances permit; but that they have deferred an advance in this direction until the improvement of their preventive establishments shall place them in a position to give full effect to Excise reforms. The improved establishments applied for by the Local Government having now been sanctioned by the Secretary of State, the Contract Distillery system should be extended as soon as possible, it being borne in mind that it is not desirable to effect a change in too many districts at once. The central distillery tracts in Bombay proper, referred to in paragraph 23 above, should also be brought under the Contract Distillery system.

32. In the case of Sind, proposals for a joint Salt and Excise staff are under consideration, and here also similar reforms should be introduced as soon as an adequate establishment is available.

33. In Ajmer-Merwara, where the District Monopoly system has hitherto prevailed, the Government of India have already suggested to the Chief Commissioner that it should be replaced by the Contract system, and steps to this end are being taken.

34. In paragraph 36 of their Report the Committee express themselves in favour of the maintenance of the District Monopoly system as an intermediate measure "in places where the repression of crime is difficult during the period of transition from outstills to more advanced management". But the conditions with which they accompany this recommendation, *viz.*, full control by the Collector and by a satisfactory Excise staff, and the fixing

of the guarantee by competition, indicate that, where circumstances which admit of these precautions exist, it should be practicable to introduce a Contract Distillery system at once. Accordingly in the case of the areas in the North-West Frontier Province hitherto supplied from the Bannu central distillery, where the Committee suggest the introduction of a District Monopoly as a present alternative to the Contract Distillery system, it should be considered by the Chief Commissioner whether the immediate adoption of the latter is not possible. The Government of India are, however, prepared to leave the final decision to him.

35. The only remaining provincial areas which it is proposed to transfer from outstills and which would not come under the Contract Distillery system (outside a small tract in the Punjab) would thus be those in Baluchistan. Here the Committee, while indicating the eventual desirability of the Contract system, point out (paragraph 50 of their Report) that there may be difficulties in the matter of supply, and that the local authorities propose as an intermediate arrangement to farm out the right of manufacture and vend subject to the payment of still-head duty. In other words, the contract would apparently go to the man who tendered the largest amount to Government as a lump contract vend fee in addition to the ordinary duty incidence, instead of vend fees being realised from separate shop-keepers or farmers. The Government of India feel some doubt regarding this proposal, and they would be glad to have the opinion of the Chief Commissioner on the subject.

36. As regards outlying cantonments in Native territory, the Government of India have recently decided (paragraph 26 of their letter to the Agent to the Governor General in Central India, No. 6965 Exc., dated 12th December 1906), that those in Central India shall be supplied under the Contract Distillery system and the Committee recommend the adoption of a similar policy in the case of the cantonments in Rajputana and Hyderabad. In the case of the Central India cantonments the intention is that arrangements for their supply should be made in connection with the system as it is proposed to apply it in the adjoining Native States. The same conditions do not, however, exist in Hyderabad and Rajputana, and the only method in which a Contract Distillery system could at present be introduced in the cantonments there would probably be by the importation of liquor under bond from a distillery in British India. It is requested that the Local Administrations concerned will consider and report on the feasibility of this.

37. There remains the competition system of the Punjab, which also applies, though there are no local distilleries there, to the greater part of the North-West Frontier Province. The large amount of illicit consumption in the Punjab which has been noticed in paragraph 7 above appears to have been due mainly to want of an organised preventive establishment, and though the Committee are impressed by the possible future evils of a distillery combination which would raise prices, the Government of India are not in favour of the abolition of the present system so long as the local authorities are of opinion that it works satisfactorily. The system is, however, open to the disadvantage, pointed out in paragraphs 39 and 59 of the Report, that distillers are prone to concentrate their operations in the large centres and to neglect outlying tracts, which are thus left open to illicit supplies. It is requested that the Local Government will consider this matter and will report for the information of the Government of India the measures which it proposes to remedy this defect. The reforms in the areas under the same system in the North-West Frontier Province would naturally follow those which it is decided to adopt in the Punjab.

38. Under the Contract Distillery system, the distillery may itself be outside the contract area, and there are, in any case, large tracts to be supplied. The development of the system therefore necessitates the adoption of adequate arrangements for distribution of liquor, and these are discussed in Chapter V of the Report. Speaking generally, the Government of India accept the Committee's recommendation that the distributing centres should be bonded warehouses maintained in Government buildings at tahsil head-quarters and other important centres, and under the supervision of an officer of Government, who need not, however, except in the case of the more important warehouses, be a full-time officer. But where, as in Madras, distillers have hitherto

maintained their own warehouses, it is unnecessary to interfere with this system unless and until the Local Government think fit to alter it.

As the Committee point out, the warehouse system can be supplemented, where necessary, by the grant of wholesale licenses; but these agencies should be employed only in the case of liquor that has already paid duty either directly at the distillery, or on issue from the warehouses, and the revised terminology proposed in this connection in paragraph 64 of the Report may suitably be adopted.

It is also desirable, as suggested by the Committee in paragraph 63 of the Report, that the Contract Distillery system should be so applied as to make the supply at all warehouses in a contract area uniform in price.

39. While, however, the establishment of Government warehouses is suitable in respect of Contract Distillery areas, in which the contracting distiller has a monopoly of supply in his own sphere and is bound to sell to the shop-keeper at fixed prices, it would not be suitable under the Free Supply system in force in the Punjab and the North-West Frontier Province, where, subject to certain limits of price, each distiller is at liberty to compete for supply to the shop-keepers. The Government of India have already issued instructions, in paragraph 7 of their letter No. 7115 Exc., dated the 20th December 1906, as regards wholesale vend arrangements under this system. As there stated, distillers may here be allowed to charge higher prices at outlying warehouses than at the distillery, since in the former case they have, at the option of the shop-keeper, to bear the cost of transit. But they should not be allowed to decline sales at the distillery, or to refuse supplies to any vendor wholesale or retail. These conditions must, as above remarked, be supplemented by more efficient arrangements for the adequate supply of liquor to outlying areas.

40. In regard to wastage, a stop should be put to the system prevalent in the United Provinces and the Punjab by which large wastage allowances are given in advance as a concession to wholesale vendors. As instanced in paragraph 59 of the Report, this system has led to districts in the Punjab sending liquor to one another in order that the allowance might be drawn, and in the case of Lucknow to liquor being sent outside the district and then reintroduced. Wastage allowances should be granted, on issue of the liquor for local consumption from Government or distillers' warehouses, under the conditions indicated in paragraph 63 of the Report, actual wastages being allowed subject to a maximum scale, which should be fixed according to the distance travelled, and should not be excessive.

41. In order to ensure success in carrying out the policy of abolition of outstill areas and concentration of manufacture of country liquor, the adoption of adequate measures to prevent the production of illicit liquor will be essential. These measures will include the maintenance of an efficient preventive staff, a matter which will be discussed further in connection with Chapter XIII of the Committee's Report.

42. Moreover, the policy of distillery concentration will not attain the ends which justify it, unless the processes of manufacture in the distilleries are subject to complete and careful Government supervision, the distillery operations being controlled by an efficient and trustworthy staff. These matters are discussed in paragraphs 51 to 55 of the Committee's Report. As there pointed out, Madras is the only province in which the necessary conditions at present apply both as regards supervision and as regards establishments. The methods there in force should, as the Committee suggest, be worked up to elsewhere, though this cannot be fully done until a thoroughly competent and trained staff is available. The Rosa distillery at Shahjahanpur in the United Provinces, which appears to have been hitherto exempt from all supervision, should be brought under control without further delay.

43. As regards the distillery staff, the Government of India accept the proposals indicated in respect to the various provinces in paragraph 282 of the Report which, they understand, have the approval of the Committee. The distillery officer should, as the Committee observe, belong to the ordinary Excise establishment and should be posted to distillery duty after a suitable training.

44. The Government of India also agree with the recommendation made by the Committee, in paragraphs 283 and 284 of the Report, that the staff at

distilleries should be paid directly by the State, though distillers can be fairly required to make a lump contribution in cases where the establishment charges amount (as suggested by the Committee) to more than 10 per cent of the duty on issues from the distillery. Distillery officers should be enabled to reside at a reasonable rent, not exceeding 10 per cent of their salary, in the neighbourhood of the distillery, and to this end it may be necessary in some cases to require the distiller to provide quarters. Where the Government owns the distillery premises it will naturally provide quarters also. As regards the rule referred to by the Committee as being already in force in Madras and the Central Provinces, that overtime fees should be paid when the attendance of a distillery officer is required outside the regular hours, the Government of India would prefer not to permit operations requiring such attendance outside fixed hours.

45. The proposal made in paragraph 291 of the Report for the entertainment of three Excise distillery experts, such as the Madras Government already possess, for the supervision of distillery work in (*a*) Bengal and Eastern Bengal and Assam, (*b*) the United Provinces, the Punjab and the Frontier Province, and (*c*) Bombay and the Central Provinces is, in the opinion of the Government of India, eminently desirable. The head-quarters of these officers would naturally be Calcutta, Lahore (the Punjab distilleries being more advanced than those in the United Provinces), and Bombay; and the Local Governments concerned, who are stated by the Committee to be unanimous in recommending the appointment of these officers, should now report whether they are willing to defray the cost. The pay of the Madras Excise expert is ₹800—1,300 and it would probably be necessary to grant similar remuneration to the officers now proposed. The distribution of cost might be in the proportion of 2: 1 as between Bengal and Eastern Bengal and Assam; equal as between the United Provinces and the Punjab (the North-West Frontier Province need not contribute for the present, as it will have no local distilleries except one at Bannu); and 2: 1 in regard to Bombay and the Central Provinces.

46. The Government of India also accept as desirable the proposal that distillery schools, similar to those which now exist in Madras for the training of distillery officers, should be opened in other provinces. The establishment of such schools would necessarily be deferred till the appointment of the proposed distillery experts by whom, as in Madras, they would be conducted. Meanwhile, it will be open for any Local Government that so wishes to make special arrangements with the Madras Government for the training of some of its officers in the Madras distillery classes. As regards the Committee's suggestion in paragraph 295 of the Report, the Government of India agree that such distillers as desire to take advantage of the distillery courses might be allowed to attend them on payment of fees.

47. The Committee, in paragraph 296 of the Report, have represented the necessity for an Excise laboratory for periodical tests and Excise work, and the Secretary of State has sanctioned the continuance of the existing laboratory at Kasauli for this purpose up to the end of March 1908. Local Governments have already been informed that the laboratory will be available for the work specified in paragraph 296 of the Report, including the standardisation but not the stocking of hydrometers and saccharometers, and that its continuance after the date above mentioned will depend on their practical experience of its utility.

48. The Government of India would invite the attention of Local Governments to the remarks of Major Bedford on pages 200 to 205 of his Report as to improvements required in the existing processes of manufacture of liquor. The most important of his suggestions may be summarised as follows:—

(*a*) Cleanliness of the stores for holding the fermentative bases and especially of the fermentation sheds and vessels should be insisted on.

(*b*) A sound and vigorous yeast should be provided by a central Government agency at the outset and later on by the distillers themselves.

(*c*) Proper barrels or vats should be used as fermenting vessels in place of the earthenware pots now used for the purpose.

(*d*) Provision should be made for a sufficient water-supply.

(*e*) Proper mashing in every particular should be ensured.

(*f*) In the case of pot-stills, there is little if anything to choose between single and double distillation or between fire and steam heat. But spirits made from washes which contain a quantity of solid vegetable matter, such as rice, raisins, dates, toddy and *mahua*, yield the highest amounts of furfural, while *gur* and molasses spirits give markedly less. The wash should be properly strained and the heating should be fairly regular and not too violent or prolonged.

(*g*) The method of feeding the stills should be by gravitation or (less preferably) by pump, but not by hand as is at present the case in many distilleries.

(*h*) A good still-head should be provided so as to ensure a proper degree of rectification.

(*i*) Proper arrangements should be made for the condensation of the alcoholic vapours.

(*j*) The diameter of the worm should be graduated so that it may progressively diminish in calibre, and its length regulated according to the capacity of the still.

(*k*) When the condensing worm is made of copper, care should be taken to protect the liquor from serious contamination by the copper salts produced by the action of the acid spirit on the metal.

(*l*) Proper safes should be provided between the worm end and the receiver so as to prevent the illicit abstraction of spirit and the loss of alcohol by evaporation.

The above suggestions appear to the Government of India to be generally suitable, with the exception of the proposal for the supply of yeast by Government to which, as was stated in paragraph 10 (*c*) of the Resolution in this Department No. 7057 Exc., dated the 18th December 1906, they are altogether opposed.

49. In respect of the rates of still-head duty in distillery areas, the Committee's recommendations are as follows. Duty should be the main factor in taxation, and it should, in most provinces, be feasible to increase the existing local rates of duty without giving rise to grave danger of illicit practices. As a fair *minimum* rate the Committee suggest 15 annas per proof gallon, and as a maximum rate the tariff rate on imported spirit (R7 per proof gallon) diminished by a rupee or so per gallon in areas where the vend fees on country spirit considerably exceed those on imported liquor. Within these limits they recommend that the rates should be varied according to local circumstances, and in general by steps of 10 annas per proof gallon, though in special cases a differentiation of five annas might be adopted. The fixing of the duty in multiples of 10 annas per proof gallon would, it is pointed out, have the advantage of facilitating calculation. It is also suggested that there might be differential rates between urban areas and the adjoining country, as is already the case in the United Provinces and Bombay, subject to the following precautions for the prevention of smuggling, *viz.* :—

(*a*) That the extent of the differentiation should not be so great as to induce smuggling, 10 annas per proof gallon being taken as the maximum which should ordinarily be adopted.

(*b*) That there should be no shop in the rural area within 3 miles of the town limits.

(*c*) That there should be a strict limitation of the quantity of liquor which may, as being in legitimate private possession, be transported from one duty area to another.

(*d*) That arrangements should be made for the keeping of accounts by the rural shop-keepers, for the effectual verification of the fact that liquor despatched to them actually reaches them, and to prevent the possibility of such liquor being brought back into the towns.

The Government of India approve these general principles. They would, however, remark that distinction in the matter of duty between rural and urban areas should only be made where the latter are real towns and not mere agglomerations of villages: also that high vend fees in the rural areas will generally show that such differentiation need no longer be made.

50. Working on these principles, the Committee recommend the following specific increases of duty in the various provinces:—

(1) *Bengal.*—In the large spirit-consuming tract to the west the abolition of outstills will remove the chief obstacle to the increase of duty and a rate of R2-8-0 per proof gallon may be imposed in the districts, with an addition of 10 annas in the towns, to be further raised gradually as control over illicit practices is secured. The rates may increase (as they do at present) as they go east, and the present maximum limit of R5 may safely be raised by 10 or 15 annas. In the Contract Distillery areas of Midnapore and the Orissa Division, it would be safe to advance the present rates (which vary from R1-0-8 to R3 per proof gallon) to at least R3-2-0.

(2) *Eastern Bengal and Assam.*—In the planting districts in which it is proposed to introduce still-head duties for the first time it would be safe to start with a rate of R2-8-0 per proof gallon.

(3) *United Provinces.*—When agricultural conditions improve, there will be room for a considerable advance in the rates of duty. In the areas to be newly brought under the distillery system a start might be made with a rate of 15 annas per proof gallon. In the richer districts, and in particular in those within the area of high consumption referred to in paragraph 7 above, an advance to R3-2-0 or R3-12-0 will soon be possible, while in the towns an advance may be made to R4-1-0 or even more.

(4) *Punjab.*—As soon as illicit distillation has been brought under control an increase of duty in the towns at any rate would be desirable as a check on the rapid growth of consumption.

(5) *North-West Frontier Province.*—An addition of 11 annas to the present duty of R4 per proof gallon is recommended.

(6) *Madras.*—There is room for a further advance of duty in the two northern districts, Ganjam and Vizagapatam, and in the two west coast districts, South Canara and Malabar. In the former, the rate might be raised to the R4-6-0 per proof gallon levied in the other Telugu districts, and in the latter to R3-2-0 immediately and to R4-6-0 later on. In Bellary town a differential urban duty might be introduced if the garrison is maintained there at its present strength. The Committee indicate in paragraph 99 of the Report that in the case of the two west coast districts an increase to the general rate of duty now prevalent in Madras has not been made in deference to views formerly expressed by the Government of India as to the probable effect of certain increases in duty in checking licit consumption. As to this it may be observed that circumstances have now changed. The Contract Distillery system has proved a marked success, and the licit consumption of the province has more than recovered the temporary check which it had sustained when the observations in question were made.

It may be observed in this connection that the general rate of duty in the Madras districts was formerly R4-6-0 per proof gallon; but that this has now been raised to R5 for the Southern districts, and that a similar enhancement in the Northern districts of the Presidency is now under the consideration of the Local Government.

(7) *Bombay.*—There are at present no less than 38 different rates of duty in force, this great variety being neither necessary nor desirable. The policy of enhancing the rates which the Local Government has already accepted should be steadily pursued

and measures taken to accelerate progress. When the preventive establishments have been strengthened and satisfactory Excise arrangements have been made with the Native States in Gujarat, enhancements in duty should be proceeded with as rapidly as circumstances may allow. The duty in the large towns should be raised to not less than R3-12-0 per proof gallon and in the rural areas to not less than R3-2-0, except in tracts where facilities for illicit practices necessitate differentiation. In Bombay city the duty may be raised to R5 per proof gallon immediately and later on to the level of that on imported liquor, this being accompanied by a concomitant enhancement of the taxation on other kinds of intoxicants also, if their consumption should show a tendency to increase. In Khandesh and Surat too (as also in Ratnagiri and Kanara) the enhancements of duty contemplated by the Local Government should be carried out. In the Panch Mahals the duty need not be lower than 15 annas per proof gallon. The rates in the Deccan and the Karnatik are already fairly high.

(8) *Sind.*—The duty on flavoured spirit may be raised to R6 per proof gallon for the present and to the tariff rate later on. That on plain spirit may be fixed at R5 per proof gallon for the present, and proportionately as the strength is higher or lower, and at R5-15-0 later on.

(9) *Central Provinces and Berar.*—A policy of constant advance is already in execution in these provinces both in the direction of enhancement of the duty rates in districts in which the Central Distillery system has been introduced and by the extension of that system to areas hitherto under the Sadar Distillery and outstill systems. The Committee have advised against too rapid an increase in the rates, and the local authorities have also wisely determined not to introduce changes of system into too many districts at once.

(10) *Coorg.*—The rate of consumption in this province being high and the incidence of vend fees very low, an immediate raising of the duty to R5-10-0 per proof gallon is recommended.

(11) *Ajmer-Merwara.*—An enhancement of the existing rates to R3-12-0 per proof gallon for the urban area and to R3-2-0 for the rural area is proposed.

(12) *Baluchistan.*—It is suggested that in the areas to be brought under the distillery system the duty might be fixed at R1-4-0 per proof gallon at the outset.

(13) *Cantonments in Native States.*—The duty in Bangalore (R5-15-0 per proof gallon) might be raised with the co-operation of the Mysore Darbar in respect of a corresponding enhancement in the duty in Bangalore city. In the cantonments in Central India the duty might well be fixed at R2-8-0 per proof gallon.

51. In proposing ultimately to raise the rate of duty on country spirit in Bombay city to the level of that of imported liquor, the Committee have not taken into account the fact that the vend fees on country spirit shops, which are already sold by auction there, are considerably higher than the fixed fees on foreign spirit, and that the measure would really amount to a differential taxation against country spirit and would be in disaccord with their own general proposal that the rate of duty on country spirit should be about a rupee below the tariff rate of duty. As regards spiced spirit in Sind, the Government of India have decided, in connection with the recommendations made by the Committee in Chapter VII of their Report, that such spiced spirit should be treated as country spirit and not as foreign liquor, and the suggestion now under reference cannot therefore be approved.

52. Subject to these remarks, the Government of India commend the above proposals, which appear to have been made after due local investigation, to the favourable consideration of the Local Governments concerned. They are likely to result in a better regulated and higher duty taxation than is at

present in force, and it is requested that Local Governments and Administrations will report the extent to which they are prepared to adopt them.

53. A few incidental matters remain to be dealt with. Major Bedford has pointed out (pages 164 and 165 of his Report) that under the scheme of modernised central distilleries with outlying bonded warehouses it will be necessary to adopt means to prevent loss of revenue on account of obscuration by casking. He will now be asked to undertake the preparation of the obscuration tables that he suggests, and also to enquire further into the question of the increase of alcoholic strength induced in stored spirit under certain conditions which is discussed on pages 173 to 175 of his Report. He has already been asked to prepare tables for the blending and reduction of spirits under Indian ranges of temperature, and copies of these when completed will be communicated to Local Governments.

As regards colour dyes for the distinction of distillery liquor, referred to in paragraph 299 of the Excise Committee's Report, the Government of India agree with the Committee that there is no necessity to take any general action for their introduction.

ORDERED, that a copy of the foregoing Resolution be communicated to all Local Governments and Administrations for information and guidance; to the Foreign Department with reference to paragraphs 15, 16, 36, 50 (13) and 52; and to Major C. H. Bedford, I.M.S., with reference to paragraph 53.

in continuation of Resolution No 7057-Exc., dated the 18th December 1906, S

Secy. to the Govt. of India.

GOVERNMENT OF INDIA.

FINANCE DEPARTMENT.

SEPARATE REVENUE.

Excise.

RESOLUTION

No. 2994 Exc.

Dated Simla, the 16th May 1907.

Orders on chapters III—VI of the Report of the Excise Committee.

G. I. C. P. O.—No. 1377 Fin. D.—2-5-07.—12.—B. N. D.

R. P. B.—6-07—1,000.

RESIDENT'S OFFICE.

Serial No. 2
File No.

[DRAFT.]—For approval.

From

F. P. RENNIE, Esq., I. C. S.,
1st Assistant to the Resident in Mysore.

No. 4357 dated 20 June 1907.

To The Collector, & Dist. Magistrate
Chittoor

Sir

I am directed to forward a copy of the resolution of the Govt. of India in the Finance Dept., No. 2994 dated the 16 May 1907, passing orders on the recommendations contained in chapters III to V of the Report of the Indian Excise Committee 1905-1906, & to request that the Resident may be furnished with a report regarding the action that should be taken in connection with the Excise administration of the Dist. of Chittoor.

I am, etc.,

for

H.S. 15/6/07

Asst. to the Resident

* A.79 with 3 spare copies

Qual. Note 15/6/07

Registered No. 4728
Date of Receipt 29-8-07.
Ref. to 459-A
05

29/8/07

3

R. P. B.—6-07.—250.

No. 2958

OFFICE OF THE COLLECTOR,

CIVIL AND MILITARY STATION, BANGALORE.

Dated 28th August 1907.

FROM

P. L. Moose ESQ., I. C. S.,
COLLECTOR,
CIVIL AND MILITARY STATION,
BANGALORE.

To

F. P. Renne Esquire, I C S.,
FIRST ASSISTANT TO THE HONOURABLE THE RESIDENT
IN MYSORE.

Draft letter to Mr Durban as asked for appd 16/9/07 Resd

SIR,

With reference to your letter No: 4354 dated 20th June 1907 forwarding for report Copy of a Resolution of the Government of India in the Finance Department, No: 2994 Exc, dated 16 May 1907, passing orders on the recommendations of the Excise Committee contained in Chapters III to VI of their report, I have the honor to state as follows:—

2 The recommendations of the Excise Committee with which the abovementioned resolution deals relate to Manufacture and Consumption of Country Spirit. The resolution deals with the

Systems

Systems known as the out Still System and the Contract distillery System

3 The System obtaining in Bangalore is the Contract Distillery System and no change in this respect is necessary. The only point for consideration is the enhancement of Still head duty.

4 If the Mysore Darbar are prepared to raise the duty in Bangalore City, I would strongly recommend that similar action be taken in the Station. In that case it would be necessary to have a belt with no shops, say 3 miles wide round the high duty Area as suggested in para 49 of the Resolution of the Government of India referred to This probably would entail the closure of many existing shops The Abkari Deputy Commissioner of Madras considers that a first step might be made by raising the duty to Rs 6-4-0 per proof gallon, or Rs 5-12-0 per gallon of 20 U.P. If the duty is raised higher the incidence including vend fees will be higher than that on foreign liquor which is not desirable. In the Mysore State and

*? A-5-40

and in the Civil and Military Stations the duty was Rs 4/- per gallon (20 as) from the year 1889-90 to the year 1896-97, at the end of which it was raised to Rs 4-12-- which is the rate in force at present

5. The quality of the liquor now supplied is good. If there is any cause for complaint Samples can be sent for Chemical Examination.

6. The wastage allowed at present in the Warehouse is *1% which the Abkari Deputy Commissioner considers sufficient but not excessive.

*Vide para 8 of the President's order No: 1803 dated 7th April 1904.

A

I have the honor to be,

Sir,

Your most obedient Servant

Collector.

Mdy.

R. P. B.—6-07.—1,000.

RESIDENT'S OFFICE.

Serial o. 4
File No.

[D R A F T .]—For approval.

From

F. P. RENNIE, Esq., I. C. S.,
1st Assistant to the Resident in Mysore.

To

No. 6035 Dated 20th September 1907

The Dewan of Mysore

Sir,

I am directed to forward a copy of a Resolution of the G. of I. in the Finance dept. No 2996 Ex. of 16 May 1907, passing orders on the recommendations contained in chapter VII of the Report of the Indian Excise Committee 1905. A and to request that such reference to para 50 (13) of the Resolution

(Continuation of Draft).

The Hon. Secretary may be requested to inform the Members of the Committee regarding the proposal made for the enhancement of Stall Rent by the Municipal Council of Bangalore (vide A copy of the report of the Sub-Committee on the subject is enclosed

Para 4 of the Minutes dated 29-8-1907

No 3

J Lane

7.10.07

18/9/07

Exd 18/9/07

Enclosure

2/1/08 No Pol. 525

5

Submitted for perusal
File is with Resd.

RESI. [illegible] OFFICE,
BANGALORE.
Regis. No. 24
Date of Receipt 2-1-08
File No. 1579/05

FROM,

C.S.BALASUNDRAM IYER ESQ

SECRETARY, GENERAL AND REVENUE DEPT

TO F.P.RENNIE ESQ I.C.S

FIRST ASST TO THE HON'BLE THE RESIDENT IN MYSORE.

BANGALORE.

BANGALORE, DATED 2ND JANUARY 1908.

SIR,

I AM DIRECTED TO REPLY AS FOLLOWS, TO YOUR LETTER No 6038 DATED 20TH SEPTEMBER 1907, REQUESTING THE VIEWS OF THE DURBAR, REGARDING THE ENHANCEMENT OF THE STILL-HEAD DUTY ON ARRACK.

2. THE GOVERNMENT OF INDIA HAVE, IN THEIR RESOLUTION, REFERRED TO IN YOUR LETTER, SUGGESTED THE ENHANCEMENT OF THE STILL-HEAD DUTY ON ARRACK ON THE RECOMMENDATION OF THE INDIAN EXCISE COMMITTEE, THAT IN THE BANGALORE CANTONE-MENT THERE HAS BEEN NO INCREASE OF DUTY SINCE 1897 THOUGH THERE HAS BEEN A CONSIDERABLE IMPROVEMENT IN THE PURCHASING POWER OF THE DRINKING CLASSES AND THAT THE HON'BLE THE RESIDENT IS PREPARED TO INCREASE THE DUTY. IT DOES NOT, HOWEVER, APPEAR TO THE DURBAR, THAT THERE HAS BEEN ANY GENERAL AND APPRECIABLE RISE IN WAGES AND INCREASE IN THE PURCHASING POWER OF THE DRINKING CLASSES SINCE 1897-8. ON THE OTHER HAND, IT APPEARS TO THEM THAT THE PREVALENCE OF PLAGUE AND THE RISE IN THE PRICES OF FOOD GRAINS OWING TO ADVERSE SEASONS HERE AND ELSEWHERE, CANNOT BUT HAVE SERIOUSLY AFFECTED THE RESOURCES OF THE POOR CLASSES. A COMPARISON OF THE FIGURES OF ARRACK CONSUMPTION BOTH IN THE CITY AND STATION FROM 1892-3 TO 1906-7 CLEARLY INDICATES THAT THE PEOPLE HAVE NOT YET COMPLETELY RECOVERED FROM THE EFFECTS OF PLAGUE AND ADVERSE SEASONS AND THAT THE CONSUMPTION IS MUCH BELOW WHAT IT WAS BEFORE THE DUTY WAS ENHANCED. IT IS ALSO CLEAR FROM THE STATEMENT IN PARA 10 OF THE RESO-LUTION OF THE GOVERNMENT OF INDIA, REFERRED TO, THAT THE DUTY LEVIED IN THE STATE AS WELL AS THE C AND M STATION IS HIGHER THAN THE RATE, PREVAILING ELSE-WHERE IN THE MADRAS AND THE BOMBAY PRESIDENCIES AND MUCH ABOVE THE AVERAGE RATE OF DUTY IN ANY DISTILLERY AREA IN BRITISH INDIA.

3. AGAIN THE GOVERNMENT OF INDIA AGREEING WITH THE EXCISE COMMITTEE HAVE LAID DOWN THAT THE MAXIMUM TAX ON COUNTRY SPIRIT SHOULD BE THE TARIFF RATE ON IMPORTED LIQUOR (RS 7 PER PROOF GALLON) WHERE THE SAME SYSTEMS OF

TAXATION AND OF VEND ARE APPLIED TO THE TWO CLASSES OF LIQUOR AND THAT ELSE-WHERE THIS RATE SHOULD BE DIMINISHED BY A RUPEE OR SO, WHERE THE VEND FEES ON COUNTRY SPIRITS CONSIDERABLY EXCEED THOSE ON IMPORTED LIQUOR. IN PARA 51 OF THEIR RESOLUTION, THE GOVERNMENT OF INDIA URGE THIS DIFFERENCE IN VEND RATES AS AN ARGUMENT AGAINST THE INCREASE OF THE DUTY ON COUNTRY SPIRIT IN BOMBAY TO THE LEVEL OF THAT ON IMPORTED LIQUOR AND OBSERVE " THAT THE MEASURE WOULD REALLY AMOUNT TO A DIFFERENTIAL TAXATION AGAINST COUNTRY SPIRIT AND WOULD BE IN DISACCORD WITH THE COMMITTEE'S GENERAL PROPOSAL THAT THE RATE OF DUTY ON COUNTRY SPIRITS SHOULD BE ABOUT A RUPEE BELOW THE TARIFF RATE OF DUTY." IN THE CASE OF THE BANGALORE CITY THE VEND FEE ON COUNTRY SPIRIT IS 9 AS 11 PS PER GALLON OF 20 DEGREES UNDERPROOF OR 12AS 5PS PER PROOF GALLON, WHILE THE VEND FEE ON IMPORTED LIQUOR IS 4AS PER GALLON. IN THE BANGALORE CITY, ARRACK SHOPS HAVE ALSO TO PAY A LUMP SUM TAX OF RS 180 A YEAR, BESIDES A SURCHARGE OF 4AS PER GALLON (20 DEGREES UNDERPROOF) IN EXCESS OF 55 GALLONS SOLD PER MONTH. THE MUNICIPAL TAXATION ON IMPORTED LIQUOR IS MUCH LIGHTER, THE SHOP TAX VARYING FROM 12 TO 50 RUPEES AND THERE BEING NO SURCHARGE ON SALES. AT PRESENT THE DUTY ON COUNTRY SPIRIT NOT INCLUDING MUNICIPAL TAXATION, IS 5RS 15AS PER PROOF GALLON, WHICH IS JUST 1RE 1ANNA LESS THAN THE MAXIMUM TARIFF RATE ON IM-PORTED LIQUOR. IT WILL BE CLEAR THAT ANY INCREASE OF DUTY WOULD AMOUNT TO A DIFFERENTIAL TAXATION AGAINST COUNTRY SPIRIT AND BE IN DISACCORD WITH THE PRINCIPLES LAID DOWN BY THE EXCISE COMMITEEE.

4. THERE IS ALSO ANOTHER IMPORTANT CONSIDERATION WHICH THE DURBAR MUST KEEP IN VIEW IN RAISING THE DUTY ON COUNTRY SPIRIT . UNDER THE SYSTEM NOW IN FORCE, COUNTRY LIQUOR MANUFACTURED IN MYSORE, PAYS DUTY TO THE DURBAR, WHILE IM-PORTED FOREIGN LIQUOR PAYS NO SUCH DUTY, ANY DUTY ON IT BEING LEVIED BY THE BRITISH GOVERNMENT AT TARIFF RATES AT THE PORT OF IMPORT. ALL TAXATION ON SPIRITS AND LIQUORS, FINALLY FALLS ON THE CONSUMER AND SO FAR AR FOREIGN IM-PORTED LIQUOR IS CONCERNED, THE CONSUMER IN MYSORE PAYS THE TAX NOT TO THE DURBAR BUT TO THE BRITISH INDIAN GOVERNMENT. IT IS ONLY THE CONSUMER OF COUNTRY SPIRIT IN MYSORE THAT CONTRIBUTES TO THE FINANCES OF THE DURBAR. IN ITS FINANCIAL ASPECT, THEREFORE, WHILE THE EQUALISATION OF TAXATION ON COUNTRY SPIRIT AND IMPORTED LIQUOR MAKES NO DIFFERENCE TO THE GOVERNMENT IN BRITISH INDIA, SO FAR AS THE REVENUE FROM SUCH TAXATION IS CONCERNED SUCH A MEASURE IS OF VITAL CONCERN TO THE DURBAR WHO DERIVE REVENUE ONLY FROM COUNTRY SPIRIT AND NOT FROM FOREIGN LIQOUR. THE SPREAD OF THE CONSUMPTION OF FOREIGN IMPORTED LIQUOR IN MYSORE IN THE PLACE OF THE COUNTRY SPIRITS WILL INEVITABLY LEAD TO A CURTAILMENT OF THE REVENUE DERIVED BY THE DURBAR FROM THIS ITEM OF TAXATION AND UNLESS SOME METHOD CAN BE DEVISED BY WHICH THE DURBAR CAN DERIVE A PROPER REVENUE FROM THE CONSUMPTION OF IMPORTED LIQUOR IN THE STATE, IT IS A MATTER OF VITAL IMPORTANCE TO THE DURBAR, THAT IMPORTED LIQUOR SHOULD NOT DISPLACE COUNTRY SPIRIT. WHILE THE DURBAR FULLY RECOGNISE THE NECESSITY FOR DISCOURA-AGING THE CONSUMPTION OF ALCOHOL OF ANY KIND BY ALL LEGITIMATE MEANS, THEY MUST NATURALLY DEPRECATE ANY MEASURE WHICH WILL TEND ONLY TO A REDUCTION OF THEIR OWN REVENUE WITHOUT ANY CORRESPONDING REDUCTION IN THE QUANTITY OF ALCO-HOL CONSUMED IN THE STATE.

5. THE DURBAR ARE ADVISED THAT THE INCREASE OF DUTY ON COUNTRY SPIRIT, AS NOW SUGGESTED WILL STIMULATE THE CONSUMPTION OF FOREIGN IMPORTED LIQUOR AT THE EXPENSE OF COUNTRY SPIRIT AND FOR THIS REASON MUST EXPRESS THEIR INABILITY TO ADOPT THE SUGGESTION.

6. IN PARA 106 OF THEIR REPORT THE EXCISE COMMITTEE SAYS THAT THE DURBAR HAVE NOT TILL NOW ACCEPTED THE PRINCIPLE OF DIFFERENTIATION IN THE RATES OF DUTY BETWEEN URBAN AND RURAL AREAS AND THE DESIRABILITY OF SUCH DIFFERENTIATION IS URGED AS AN ARGUMENT IN FAVOUR OF ENHANCING THE DUTY ON COUNTRY SPIRIT IN THE BANGALORE CITY. IN PARA 49 OF THEIR RESOLUTION THE GOVERNMENT OF INDIA APPROVE GENERALLY OF THE PRINCIPLE OF SUCH DIFFERENTIATION BUT OBSERVE HOWEVER THAT "DISTINCTION IN THE MATTER OF DUTY BETWEEN RURAL AND URBAN AREAS SHOULD ONLY BE MADE WHERE THE LATTER ARE REAL TOWNS AND NOT MERE AGGLOMERATIONS OF VILLAGES; ALSO THAT HIGH VEND FEES IN THE RURAL AREAS WILL GENERALLY SHOW, THAT SUCH A DIFFERENTIATION NEED NO LONGER BE MADE." THE ONLY PLACES IN THE MYSORE STATE WHICH CAN BE DESCRIBED AS TOWNS ARE, BANGALORE, MYSORE, AND KOLAR GOLD FIELDS AND EVEN THE FIRST TWO ARE NOT CENTRES OF MANUFACTURING AND INDUSTRIAL ACTIVITIES ON ANY LARGE SCALE. COMPARING THE VEND FEES IN THESE TOWNS AND IN THE DISTRICTS (EXCLUDING THE CITIES) IN WHICH THEY ARE SITUATED, IT IS SEEN THAT VEND FEES IN THE RURAL PARTS OF THE BANGALORE AND MYSORE DISTRICTS ARE HIGHER THAN IN THE CITIES, WHILE IN THE CASE OF THE KOLAR GOLD FIELDS, THOUGH THE VEND FEE THERE IS HIGHER THAN IN THE REST OF THE DISTRICT, THE DIFFERENCE IS SLIGHT.

BANGALORE CITY . . .	0-9-11
DO DISTRICT (EXCLUDING CITY	0-12-4
KOLAR GOLD FIELDS . .	1-10-1
DO DISTRICT (EXCLUDING K.G.F) . .	1-3-7
MYSORE CITY . . .	0-9-7
DO DISTRICT (EXCLUDING CITY) . . .	0-15-11

7. IT WILL THUS BE SEEN, THAT ON THE PRINCIPLES LAID DOWN BY THE EXCISE COMMITTEE, THERE IS NO REASON TO DIFFERENTIATE BETWEEN THE RATES OF DUTY IN BANGALORE CITY AND IN RURAL PARTS.

I HAVE THE HONOR TO BE,
SIR,
YOUR MOST OBEDIENT SERVANT,

FOR OFFG SECRETARY (ABSENT FROM STATION)

R. P. S.—12-07—2,000.

T

RESIDENT'S OFFICE.

Serial No. 6
File No. 4874/05

[DRAFT.]—For approval.

From

F. P. RENNIE, Esq., I. C. S.,
1st Assistant to the Resident in Mysore.

No. 364 Cmi/
D/20 January 1908.

To The Collector, Co Mc Station
of Bangalore

Sir,

I am directed to acknowledge the receipt of your letter No. 2958 dated the 28th August 1907, & in reply, to forward, for the favour of your remarks, the accompanying copy of letter, Pol: No. 525 of the 2nd January 1908, from the Mysore Durbar, particularly as regards paragraph 2 thereof with reference to & the purchasing power of the drinking classes in the Co Mc Station of Bangalore as tested by a comparison of the prices of arrack consumption.

I have, etc,

FFR
First Asst to Resident.

A.J.
13/1/08

13/1/08

Slip K
No. 1588

R. P. B.—6-1904—200

3/5/08

OFFICE OF THE COLLECTOR,
CIVIL AND MILITARY STATION, BANGALORE.

Dated 2nd May ~~April~~ 1908.

RESIDENT'S OFFICE,
BANGALORE.
Register No. 2211
Date of Receipt 4-5-08
File No. 459 Mis

FROM

P. L. Moore ESQ., I. C. S.,
COLLECTOR,
CIVIL AND MILITARY STATION,
BANGALORE.

To

F. P. Kenne Esqure, I. C. S.,
~~THE~~ FIRST ASSISTANT TO THE HONOURABLE THE RESIDENT
IN MYSORE.

SIR,

Sd 6 With reference to your letter No: 364 dated the 20th January 1908 forwarding for remarks Copy of a letter from the Mysore Durbar, regarding the enhancement of the Still-head duty on arrack

Slip K and Subsequent reminder, I have the honor to inform you that I am getting a note prepared shewing the Comparative prosperity of the residents of the Station in 1892, 1897 and 1908. Materials for the preparation of this note are being Collected It is a difficult Subject and the report will take Sometime the remarks called for will be furnished as early as possible

I have the honor to be,
Sir,
Your most obedient Servant,

Collector.

A further communication may be awaited — if it be not received in a month hence, another reminder may issue —
A.S. 5/5/08
Noted
5/5/08

8

1/1/09

B. P. B.—5-08.—400.

No. 4235

OFFICE OF THE COLLECTOR,
CIVIL AND MILITARY STATION, BANGALORE.
Dated 31st December 1908

6/2/09

FROM
RESIDENT'S OFFICE,
BANGALORE.
Register No. 15
Date of Receipt 2-1-09
File No. 459 A/08

To.
P. L. Moore Esq., I. C. S.,
COLLECTOR,
CIVIL AND MILITARY STATION,
BANGALORE.

T. B. Copeland Esquire., I.C.S.,
THE FIRST ASSISTANT TO THE HONOURABLE THE RESIDENT
IN MYSORE.

SIR,

8 M 6 With reference to your letter No 364 dated 20 th ---- January 1908 forwarding for remarks copy of a letter Pol: 5 M 5 No: 525 dated the 2nd idem from the Mysore Darbar and particularly with reference to the purchasing powers of the drinking classes in the Civil and Military Station, I have the honour to state as follows:-

2 - The price of day labourers has increased from 3½ as.: to 4½ as: since 1897 The demand for unskilled labour has also increased

3 - The demand for skilled labour. e. g. bricklayers, --- masons, carpenters etc., has increased and the wages avera--ges about 15 as: against 12 as: in 1897.

4 - Appended in the margin are found the prices of food grains in 1892, 1897 and 1908. Wages of domestic servants have risen on an average about 40% in the last ten years.

5 - Arrack consumption in 1897-98 was 78,856 gallons. In 1907-08 it was 71,063 gallons. On the other hand arrack consumption reached its zenith during 1895-96 and 1896-97 when the duty was Rs. 5/- an imperial gallon (London --- proof)

(London proof). With the imposition of the present rate of duty Rs. 5-15-0. per gallon London Proof in 1897-98 --- the consumption dropped to 78,856 in that year and steadily declined to 47,045 gallons in 1901-02; it rose to 65,490 gallons in 1904-05 and dropped again immediately to 64,916 which will be the approximate consumption of the current year.

6 – The steadily decline in arrack consumption from 1897-1898 till 1901-02 was due mainly to the prevalence of --- plague

7 – I am of opinion that there has been an improvement in the purchasing powers of the drinking classes since --- 1897-98 though that improvement has not been so marked as it would normally have been owing to many years of plague and to the upward tendency of prices.

8 – I am in favour of an increase of duty the object of which is, I take it, rather reduction of consumption than --- increase of revenue.

I have the honour to be,

Sir,

your most obedient servant.

COLLECTOR.

M D T.
29/12/08.

O/c. 1

9

No. 1386

From

The Hon'ble Mr. S. M. Fraser, C. I. E.,
Resident in Mysore.

To

The Secretary to the Government of India,
Finance Department.

Dated Bangalore, 3rd March 1909.

Sir,

I have the honour to invite a reference to a Resolution of the Government of India in the Finance Department No. 2994-Exc, dated the 16th May 1907, communicating the orders of Government on Chapters III-VI of the Report of the Indian Excise Committee, 1905-1906.

S 1

2. With reference to the recommendation made in para 50 (13) of the Resolution that the still head duty on country spirit (Rs. 5-15-0 per proof gallon) in Bangalore should be raised with the Cooperation of the Mysore Durbar in respect of a corresponding enhancement of the duty in Bangalore City, the Collector of the Civil and Military Station of Bangalore proposed, in consultation with the Abkari Deputy Commissioner of Madras, the enhancement of the duty to Rs. 6-4-0 per proof gallon provided the Durbar were prepared to take similar action in Bangalore City. A reference was thereupon made to the Durbar in the matter, to which they have replied in their letter No. 525 Political dated the 2nd January 1908, (a copy of which is forwarded herewith) declining to adopt the proposal made by the Collector.

S 5

3. The principal reason which the Durbar have given for this decision is the expectation that the change would stimulate the consumption of imported foreign liquor at the expense

of country spirit and would thus affect adversely ~~the~~ the Revenues of the State. I am not altogether prepared to agree with this view since it appears to me as the result of careful enquiry into the matter, that arrack would be replaced, if at all, by doubled distilled ~~Rum~~ Rum, (Foreign liquor' manufactured in Bangalore City and paying Excise to the Mysore State) and not by imported foreign liquor paying duty only to the British Government. As the latest Administration Report of the State shows, the indication is that the local ~~drinks~~ double distilled spiritscan now hold their own against the cheaper brands of imported liquors which alone are likely to enter into competition with arrack

4. At the same time, the Durbar give other reasons for opposing the change. These are ~~(a)~~

(a) that the purchasing power of the drinking classes has not increased since 1897.

(b) that the proposal to raise the still head duty from Rs. 5-15-0 to Rs. 6-4-0 per proof gallon is contrary to the policy indicated in paragraph 51 of the Resolution referred to above, viz., that the rate of duty on country spirit should be about one rupee below the Tariff rate of duty (Rs. 7/- per proof gallon), and in particular (paragraph 49 of the Resolution) that this should be the policy observed in cases where the vend fees on country spirit considerably exceed those on imported liquor.

(c) that the present rate (Rs. 5-15-0 per proof gallon) is higher than the average in any distillery area in British India proper.

5. There appears to be considerable force in these contentions of the Durbar, ~~as~~ As regards ~~agreement~~ argument (a). Analysis of the factors of the question renders it doubtful whether there has been a real increase in the purchasing power of the drinking classes which would warrant an increased still head duty. Wages have certainly risen, ~~not~~ but so has the general level of prices of food grains (which have now reached practicably famine rates) and the prevalence of plague during the past decade has much affected the resources of the people. With regard to (b) the vend fee in Bangalore City is 12 annas 5 pies per proof gallon of country spirit as contrasted with four annas for imported liquor. The maximum duty

duty admissible would therefore be only Rs. 6/- against the present rate Rs. 5-15-0 and no enhancement appears to be ----- called for. // Agreement (c) is borne out by the figures given in paragraph 10 of the Resolution.

5. In the circumstances, I am, upon full consideration, not prepared at present to recommend the enhancement of the still head duty on country spirit in the Civil and Military Station of Bangalore beyond the present figure of Rs. 5-15-0 per proof gallon.

6. I would add, in conclusion, that the Residency is in correspondence with the Durbar on the cognate subject of the reduction of the strength of country spirit sold in the Civil and Military Station and in Bangalore City.

I have the honour to be,

Sir,

Your most obedient servant,

Sd. T. Copeland
First Assistant Resident
for Resident.

10

No.1836-Exc.

GOVERNMENT OF INDIA.

FINANCE DEPARTMENT.

Simla, the 13 April 1909.

RESIDENCY OFFICE,
BANGALORE.
Register No. 2162
Date of Receipt 17-4-09
File No. 459/A 4 15

From

J. E. C. Jukes, Esquire, I.C.S.,
Under Secretary to the Government of India,

To

The Honourable the Resident in Mysore.

Sir,

In reply to your letter, No.1386 En 1, dated the 3rd March 1909, I am directed to state that in the circumstances explained the Government of India agree that the existing rate of still head duty, namely, Rs.5/15/- per proof gallon, on country spirit in the Civil and Military Station of Bangalore should not for the present be raised.

I have the honour to be,

Sir,

Your most obedient servant,

Under Secy. to the Govt. of India.

M.M.M.

No. 8.

R. P. B.—3-09.—1,000.

RESIDENT'S OFFICE.

Serial No. 11

File No. 454/A 1/05

[D R A F T .]—For approval.

From

T. B. COPELAND, Esq, I. C. S.,

1st Assistant to the Resident in Mysore.

To

The Secretary to the Station of Bangalore

The Secretary to Government

No. 2406-2406

D/ 22nd April 1909.

Sir,

With reference to the correspondence ending with your letter No. 4235-7 dated the 31st Mar. 1908

8/5

No. Proceedings of your letter No. 525 M/7 dated 30th January 1908

I am directed to state that, in the circumstances explained by the Resident, the Government have decided that the existing rate of still head duty, namely, Rs. 5-15-0 per proof gallon, on country spirit in the Cantonment of Bangalore should not for the present be revised.

0.10

I have, etc.,

Assistant to the Resident.

Gaz 21/4/09

H.S. 20/4/09

(Original file 489 R/05.) No. 3945 12

From

The Hon'ble Mr. S. M. FRASER, C. I. E.,
RESIDENT IN MYSORE.

To

The Secretary to the Government of India,
Finance Department.

Dated Bangalore, 13 December 1910

Sir,

In continuation of this office letter No.1386, dated the 3rd March 1909, I have the honour to report, for the information of the Government of India, that, after a detailed interchange of views on the subject, the Mysore Durbar acceding to the suggestion made by this Residency, ~~the Mysore Durbar~~ have decided to reduce the strength of arrack sold in the State from 20 U.P. to 25 U.P. with effect from the 1st July 1910, and that orders have been issued for similar reduction from the 1st July next in the strength of arrack sold in the Civil and Military Station of Bangalore.

2. Taking advantage of the recent enhancement of the tariff duty on foreign liquors, and with a view to guard against any great fall in revenue in consequence of the reduction in the strength of the liquor, the Durbar have raised the duty on arrack from Rs.5-15-0 to Rs.6-5-4 per gallon of proof spirit from the 1st July 1910, and it has been ordered that the duty on arrack in the Civil and Military Station of Bangalore should from that date be raised to Rs.6-4-0 per gallon of proof spirit, in accordance with the principle enunciated in paragraph 49 of the

Finance

R. P. B.—5.1910.—500.

Finance Department resolution No.2094-Exc., dated the 16th May 1907. The small difference of 1 anna 4 pies between the rates of duty fixed for the Mysore State and the Civil and Military Station of Bangalore will not, in my opinion, affect the interests of either area, inasmuchas the retail selling price of arrack will remain the same in both.

I have the honour to be

Sir,

Your most obedient servant.

Sd/- S. Fraser

Resident.

w/b

No. 3291 of 1910.

From

RESIDENT'S OFFICE,
MANGALORE.
Registrar No. 3675
Date of Receipt 20/6/10
Dy No. 4511/MAC

H. W. Brow, Esquire, B.A., I.C.S.,
Commissioner of Customs,
Salt, Opium & Abkari;

To

The Resident in Mysore

Coorg, 17th June 1910.

w/b

Sir,

I have the honour to request the favour of ---- information as regards the rates of still head duty on country spirit obtaining in Mysore Territory bordering on each of the British Districts of Dharwar and Kanara of this Presidency during the year ending 31st March 1911 and in the current year

2. An early reply is requested.

I have the honour to be,

Sir,

Your most obedient servant,

Commissioner of Customs,
Salt, Opium & Abkari.

Draft letter to the Resident is submitted for approval.

H.
24/6/10

R. P. B.—5-1910.—3,000.

RESIDENT'S OFFICE.

Serial No. 14
File Nr. 457 H. '05

[DRAFT.]—For approval.

From

MAJOR W. G. GREY, I. A.,

1st Assistant to the Resident in Mysore.

To

The Secretary to Govt

Sir,

I am directed, at the instance of the Commissioner of Customs, Salt, Opium and Abkari, Poona, to request that information may kindly be supplied to this office at an early date as regards the rates of still head duty on country spirit obtained in the Mysore State bordering on each of the districts of Dharwar & Kanara in the Bombay Presidency during the year ending the 31st March 1910 & in the current year

I have, etc,

Sd/ K.S. Srinivasaiah,
for First Asst to Resident

No. 3852
D/23. June 1910.

A. 13

Sd/ 21/6/10

Sd/ 22/6/10

KW. 22/6.

11

G.R.S. 48]

Pol. No. 34.

GOVERNMENT OF H. H. THE MAHARAJA OF MYSORE.
GENERAL AND REVENUE SECRETARIAT.

Dated Bangalore, 11th July 1910.

FROM

C. S. BALASUNDARAM IYER, ESQ., B.A.,

Officiating Secretary to the Government of
His Highness the Maharaja of Mysore,
General and Revenue Departments.

RESIDENT'S OFFICE
BANGALORE
Register No. 4142
Date of Receipt 12-7-10
Page No. 459 A

MAJOR W. G. GREY, I.A.,

First Assistant to the Hon'ble the Resident in Mysore.

SIR,

With reference to your letter No.3852 dated the 23rd June 1910 regarding the rates of still head duty on country spirit obtaining in the Mysore State bordering on each of the Districts of Dharwar and Canara in the Bombay Presidency during the year ending 30th March 1910 and in the current year, I am directed to state that during the official year ending 30th June 1910 the rate of duty on country spirit was Rs.5-15-0 per proof gallon and that from the 1st July it has been raised to Rs.6-5-4. I am to add that the difference between urban and rural areas has not been recognised in this state, and that the rate has therefore been made uniform throughout.

I have the honor to be,
Sir,
Your most obedient servant,

For Offg. Secy. to Govt.
(Absent from Head Quarters.)

Draft letter is sent for approval.
13/7/10

B.L.

GPB—5,000—20-4-10

R. P. B.—5-1910.—3,000.

RESIDENT'S OFFICE.

Serial No. 16
File No. 4594
'05

[DRAFT.]—For approval.

From

MAJOR W. G. GREY, I. A.,

1st Assistant to the Resident in Mysore.

To

The Commissioner of Customs,
Salt, Opium & Abkari,

Bowrea

No 4260
Dt 18th July 1910

Sir,

With reference to your letter
A.13 No 3291 dated the 17th June 1910,
regarding the rate of still head duty
on country spirit obtaining in
the Mysore State bordering on each
of the districts of Shimoga and
Kanara during the year
ending 30th March 1910 & in the
current year, I am directed
to state that during the Mysore
A.15 official year ending 30th June
1910, the rate of duty on country
spirit was Rs 5-15-0 per proof
gallon & that from the 1st July
1910, it has been raised to

Rs

(Continuation of Draft).

K 6-5-4.

2. I am to add that the difference between urban and rural areas has not been recognised in the Empire State, & that the rate of duty has therefore been made uniform throughout.

I have, etc,

15/7

First Assistant Resident

K.S.
15/7/11

13/7/11

Recd 15.7.11.

Encl 15/7/11.

Original in 459 for of 1905 17

Letter No.3703-Exc., dated the 14th July 1910, from the Under Secretary to the Government of India, Finance Department, to the Hon'ble the Resident in Mysore.

I am directed to acknowledge the receipt of your ---
SC 12 letter No.3645, dated the 13th June 1910, in which you reported your decision (1) to reduce the strength of arrack sold in the Civil and Military Station of Bangalore from 20° U.P. to 25° U.P. with effect from the 1st July 1910, and (2) to enhance the duty on the liquor from Rs.5-15-0 to Rs.6-4-0 per proof gallon from the same date.

2. These reforms have been rendered possible by the --- willingness of the Mysore Durbar to introduce similar measures in their territory, and I am to express the gratification of the Government of India at their co-operation in the matter.

K.M.

Original in 459 F. of 1905 18

No. 4453

From

Major W. G. Grey, I. A.,
First Assistant to the Resident in Mysore.

To

The Dewan of Mysore.

Dated Bangalore, 26 July 1910

Sir,

In continuation of this office letter No.3336, dated the 2nd June 1910, I am directed to state that the Government of India have been informed of the reduction of the strength of arrack sold in the Civil and Military Station of Bangalore from 20° U.P. to 25° U.P. with effect from the 1st July 1910 and of the enhancement of the duty on the liquor from Rs.5-15-0 to Rs.6-4-0 per proof gallon from the same date.

2. These reforms have been rendered possible by the --- willingness of the Durbar to introduce similar measures in --- their territory, and I am to express the gratification of the Government of India at their co-operation in the matter.

I have the honour to be,

Sir,

Your most obedient servant

W. G. Grey Major

First Assistant Resident.

No. 4454.

A copy of the foregoing letter is forwarded to the

Collector,

R. P. B.—6-1910.—500.

R. P. B.—5-1910.—1,000.

Collector, Civil and Military Station of Bangalore, for information

Major

First Assistant Resident

K.M.

Ear[illegible]
22/7/13

Very Urgent.

Ex. G. No. 14/15 of 1913.

From,

[illegible], Esquire, [illegible]

[illegible]

[illegible]

Resident's Office No. 3936
[illegible] 22.7.13
459 A/15

To

The Resident in Mysore..

18th July 1913.

I have the honour to request the favour of information [illegible] in regard to [illegible] — — — obtaining in Mysore territory bordering on each of the British districts of Dharwar and Kanara of this Presidency during the financial year ending 31st March 1913.

[illegible] early reply [illegible] requested.

I have the honour to be,

Your most obedient servant,

[signature] Correa

for Commissioner of [illegible],

[illegible] and [illegible].

Draft to [illegible]

[initials] 22.7.13

[initials] 22/7/13

[initials]

§. 3.—R. P. B.—1-1913.—10,000.

VD
7459A
1905

1

Inquiry

No 4302

Dt 22nd July 1913

[DRAFT.]

From

FAC

To [H.E. letter No Ex.C. 14/15, 18th July 1913 from the Commissioner of Customs, Salt, Opium & Abkari, Poona]

A copy of the foregoing letter is forwarded herewith to the Govt of the Bombay Presidency, with the request that the information asked for therein may kindly be furnished to this Office as early as possible

for A. R. Cort

My 22.7.13

22/7/13

3117 2

G.R.S. 48]

PoC No. 86

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.
GENERAL AND REVENUE SECRETARIAT,

Dated Bangalore, 29.7.1913

Date of Receipt 30/7/13

FROM

K. R. SRINIVASIENGAR, Esq., M.A.,
Secretary to the Government of His Highness the Maharaja of Mysore,
General and Revenue Departments.

To

P. B. WARBURTON, Esq., I.C.S.,
First Assistant to the Hon'ble the Resident in Mysore.

SIR,

S.20 Adverting to your Memorandum No. 4302 dated the 22nd July 1913, requesting that the information regarding the rates of still head duty on country spirit obtaining in the Mysore Territory bordering on each of the British Districts of Dharwar and Kanara in the Bombay Presidency for the year ending the 31st March 1913, may be furnished as early as possible, I am directed to state that one uniform duty was levied in the Mysore Territory on country spirit at the rate of Rs. 6-5-4 per proof gallon in the period referred to.

I have the honour to be,

Sir,

Your most obedient servant,

Draft submd.

30.7.13 30/7 31/7

Secretary to Government.

T.S.

GPB—500—4-6 13

S. 3.—R. P. B.—1-1913.—10,000.

2
7459
19.

[DRAFT.]

From

Bs Warburton Esqrs
FAD

To

The Commissioner of Customs
Calcutta & Orissa Bonds

No 4571
D/31st July 1913
19

Sir

With reference to your letter no Ec. G. 14/15, dtd the 18th July 1913, I am directed to state that one uniform duty was levied in the Khyas Jeuntia on country spirit at the rate of Rs 6-5-4 per proof gallon during the financial year ending the 31st March 1913.

I have the honour
to be
Sir
Your most obedient
servant
FAD

30-7-13

AS
30/7

OFFICE
4496
2-8-13

23

C. INDIAN TELEGRAPHS. Reply sent? 2/8

NOTICE.
This Form must accompany any inquiry made respecting this Telegram.

Charges to pay.
Rs. | As.

BANGALORE
2 AU.13
S.T.O.

Handed in at (Office of Origin.)	Hour.	Minute.	Service Instructions.	Words.
Bombay 1	17	50	State Read at Mysore	35

Recd. here at 9 H. 11 M.

TO Resident Mysore
Bangalore S.19

97 My Eng No 14/15 of 18th ultimo
Kindly furnish formation regarde
rates of still head duty on Country
Spirit desired for therein urgently
required
Commissioner Abkari

N. B.—The name of the Sender, if telegraphed, is written after the text.

Reid-Ham Press, Calcutta—Tel.

Reply has been sent on the 31st July 1913
vide serial 22
This may be filed
28/2-8-1913. 4/8

4/8

Very Urgent

C. No. 14/2 of 1914.

E 24
3. 16

FROM,
RESIDENT'S OFFICE
BANGALORE
Register No. 40 87
Date of Receipt 30/6/14
No. No. 1
455
05

H. C. Quin, Esquire, I. C. S.,
Commissioner of Customs,
Salt, Opium and Abkari.

The Resident in Mysore

Camp Poona, 27th June 1914.

Sir,

I have the honour to request the favour of information as regards the rates of still-head duty on country spirit --- obtaining in Mysore Territory bordering on each of the British districts of Kharwar and Kanara of this Presidency during the financial year ending the 31st March 1914.

2. The information is very urgently required and I shall be obliged by your favouring me with a reply by the 10th --- proximo.

I have the honour to be,

Sir,

Your most obedient servant,

Z. Correa

for Commissioner of Salt, Opium and Abkari.

draft submitted with face
30/6

S. 3.—R. P. B.—4-1914.—10,000.

[DRAFT.]

From P.B. Warburton Esqr Jcs
F.A.R

To

Here enter letter no. Ex-J.14/2 g/1914
dated the 27th June 1914 from
the Comr of customs Salt, Opium
and Abkari, Poona

81.24

No 4349

dt 30 June 1914.

A copy of the foregoing
letter is forwarded to the Govt
of H.H. the Maharaja of Mysore
with the request that the
information asked for therein
may kindly be furnished to
this office as early as
possible before the 10th
July 1914

With fin

F.A.R

MC
30.6.14

30/6

Early 7/7

GPB -500—29-6-14

G. R. S. 48]

PoG No. 15.

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE,

GENERAL AND REVENUE SECRETARIAT,

Dated Bangalore, 6.7. *191*4

FROM

D. M. NARASINGA RAO, ESQ., B.A., B.L.,

Offg. Secretary to the Government of His Highness the Maharaja of Mysore,

General and Revenue Departments.

4255 7/7/14 4594 GWS

To

P. B. WARBURTON, ESQ., I.C.S.,

First Assistant to the Hon'ble the Resident in Mysore.

SIR,

4325

Adverting to your memorandum No.4349 dated the 30th June 1914, in the matter of the information to be furnished to the Commissioner of Customs, Salt, Opium and Abkari, Bombay, regarding the rates of still-head duty on country spirit obtaining in the Mysore territory bordering on each of the British Districts of Dharwar and Kanara during the financial year ending 31st March 1914, I am directed to state that the still-head duty levied throughout the State during the period in question was at a uniform rate of Rs 6-5-4 per gallon of proof and of Rs 4-12-0 for a gallon of 25 U.P. which is the strength in which this spirit is sold to the public.

I have the honour to be,

Sir,

Your most obedient servant,

D. M. Narasinga Rao

Offg. Secretary to Government.

Draft Submitted for approval. 7-7-14 7/7 MRW 7/7

M.L.

S. 3.—R. P. B.—4-1914.—10,000.

2
file 459 A 1
1903

[DRAFT.]

Urgent

From

P. B. Wadsworth Esqr. I.C.S.
I. A. R

To

The Commissioner of Customs
Salt, Opium & Abkari,
Poona.

No 4534
7/7 July 1914.

Sir

With reference to your letter Ex: G. No. 14/2, dated the 27th June 1914, I am directed to state that the Still head duty levied throughout the Mysore State during the financial year ending the 31st March 1914 was at a uniform rate of Rs 6-5-4 per gallon of proof and of Rs 4-12-2 for a gallon of 25° U. P., which is the strength in which country Spirit is sold to the public.

I have &c
P. B. W.
I. A. R

file 24
flag 2.

Sd 7/7/14

Little fair

7.7.14

Ans
7/7

VERY URGENT.

Ex. C. No. 14/8 of 1915.

From:

W. O Shepherd, Esquire, B.A., I.C.S.
Ag. Commissioner of Customs
Salt, Opium and Abkari.

To,

The Resident in Mysore.

Camp Poona, 24th June 1915.

Sir,

I have the honour to request the favour of information as regards the rates of still-head duty on country spirit ----- obtaining in ═══ Mysore territory ——— ——— bordering on each of the British districts of Dharwar and Kanara of this Presidency during the financial year ending the 31st March 1915

2 The information asked is very urgently required and I shall be obliged by your favouring me with a reply by the 10th proximo.

I have the honour to be,

Sir

Your most obedient servant,

for Commissioner of Customs,
Salt, Opium and Abkari.

S. 3.—R. P. B.—1-1915.—10,000.

Pol 4598
'05

[DRAFT.]

From P. H. Walentine Page, I.C.S.,
Private Assistant to the Resident
in Nepal.

To

[Here enter letter No. G-14-8 dated the 25th June 1915, from the Commissioner of Customs, Salt, Opium & Abkari Poona.]

S.28

No. 4506
25th June 1915

A copy of the foregoing letter is forwarded to the Govt. of India in exchange of Nepal with the request that the information asked for therein might kindly be furnished to this office before the 10th July 1915, if possible.

With fair

Private Asst. to Resident,

28/6/15

28/6

30

Register No. 5227

Date of Receipt 8/7/15

GPB—500—7-4-15

G. R. S. 48]

No. Pol 20

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

GENERAL AND REVENUE SECRETARIAT,

Dated Bangalore, 7th July 1915.

FROM

D. M. NARASINGA RAO, ESQ., B.A., B.L.,

Offg. Secretary to the Government of His Highness the Maharaja of Mysore,

General and Revenue Departments.

To

P. B. WARBURTON, ESQ., I.C.S.,

First Assistant to the Hon'ble the Resident in Mysore.

SIR,

S.R. Adverting to your memorandum No.4506 dated the 29th June 1915, forwarding a copy of letter No.Ex.G-14-8 dated the 24th June 1915 from the Commissioner of Customs, Salt and Abkari, Poona, requesting to be informed of the rates of still-head duty on country spirits in certain parts of the State during the financial year ending the 31st March 1915, I am directed to state that a uniform rate of Rs.4-12-0 per gallon of 25° U.P. was levied throughout the State in April, May and June 1914 and that from 1st July 1914 the rate was raised to Rs.5-4-0 a gallon of the same strength.

I have the honor to be,

Sir,

Your most obedient servant,

D. M. Narasinga Rao

Offg. Secretary to Government.

Draft submitted for approval.

8/7/15 A.S. 8/7

GKV.

S. S.—R. P. B.—1-1915.—10,000.

31

File 459A/105

[DRAFT.]

From P. B. Wordsworth Pope, I.C.S.,
First Assistant to the Resident
in Mysore.

To The Commissioner of Customs,
Salt, Opium & Abkari,
Bowen.

No. 4808
9th July 1915

Sir,

With reference to your letter No. Ex-G-14-8, dated the 24th June 1915, asking for information as to the rate of State head duty on country spirits in certain parts of the Mysore State during the financial year ending 31st March 1915, I am directed to say that a uniform rate of R 4-12-0 per gallon of 25° U.P. was levied throughout the State in April, May & June 1914 & that from 1st July 1914 the rate was raised to R 5-4-0 a gallon of the same strength.

I have etc.,
(Sd) A. R. Coy
for First Asst. Resident.

A.28

A.30

Sd/7/15

Sd/7/15

VERY URGENT.

Ex. C. No. 14/7 of 1916.

RESIDENT'S OFFICE
BANGALORE.
Register No. 4870
Date of Receipt 3.VII.16
File No. 45 of 16

From

The Hon'ble Mr. G. R. Arthur. I.C.S.
Commissioner of Customs
Salt Opium and Abkari

To

The Resident in Mysore.

Camp, 28th June 1916.

Sir

I have the honour to request the favour of information as regards the rates of still-head duty on country spirit obtaining in Mysore territory ------ bordering on each of the British districts of Dharwar and Kanara of this Presidency - during the financial year ending the 31st March. 1916

2. The information asked for is very urgently ---- required and I shall be obliged by your favouring me with a reply by the 15 proximo.

I have the honour to be,
Sir
Your most obedient servant,

Commissioner of Customs
Salt Opium and Abkari

A.L.

S 3.—R. P. B.—7-1915.—20,000.

7. 459 A
1905

[DRAFT.]

From

7. A.A.

No 4665
Dt. 3rd July 1916.

To (Here enter letter No. Ex. 4. No. 14/7
S. 82 dated the 28th June 1916. from
the Commr. Customs &c. Bombay

Reply the foregoing
letter is forwarded to the Govt. of
H. H. the Maharaja of Mysore
with the request that, if there is no objection,
information asked for therein
may kindly be furnished to
this Residency as early as
possible

7.A.A

3.7.16. A.S. 5/7

459 A/05

84

W D 2581—GPB—1,000—8-4-16—Stg.

G. R. S. 48]

GOVERNMENT OF H. H. THE MAHARAJA OF MYSORE,

No. Rel 43 BANGALORE GENERAL AND REVENUE SECRETARIAT,

Register No. 5164
Date of Receipt 12. VII. 16
File No. 459A/05

Dated Bangalore, 11th July 1916

FROM

L. Krishna Rao, Esquire.,
~~Officiating Secretary to the Government of H. H. the Maharaja of Mysore,~~
Offg. *Secretary to the Government of H. H. the Maharaja of Mysore,*
Revenue Department.

To

MAJOR T. H. ST. GEORGE TUCKER,
First Assistant to the Hon'ble the Resident in Mysore.

SIR,

S.33 Adverting to your Memorandum No. 4665 dated the 3rd July 1916, requesting to be furnished as early as possible with information regarding the rates of still-head duty on country spirit obtaining in Mysore territory bordering on each of the British Districts of Dharwar and Kanara in the Bombay Presidency, during the financial year ending 31st March 1916, I am directed to state that throughout the Mysore State, duty was levied on country spirit at the rate of Rs. 5-4-0 for 25° U.P. or Rs. 7/- per proof gallon, during this period.

I have the honor to be,

S i r,

Your most obedient servant,

L. Krishna Rao

Offg. Secretary to Government
Revenue Department.

N.R.

35 7 459A/1905

S&S.—R. P. B.—7-1915.—20,000.

[DRAFT.]

From Major T. H. St. George Tucker
I.A.R.

No. 4921
Dt/ 12th July 1916

To The Commr. of Customs
Salt, Opium & Abkari
Bombay.

Sir,

With reference to your letter ~~No.~~ Ex. Q. No. 14/7 dated the 28th June 1916, asking for information as to the rate of Still head duty on Country Spirits in certain parts of the Mysore State during the financial year ending 31st March 1916, I am directed to state that throughout the Mysore State duty was levied on country Spirit at the rate of Rs 5-4- per for 25° U.P. or Rs 7/- per proof gallon during this period.

S. 32

I have etc.

12. mch
I.A.R.

12.7.16.

12/7

URGENT.
PRESIDENCY OFFICE
MAIL SECTION
Register No. 4465 From
Date of Receipt 11-6-17
Ur. No. 459F/16

36

C. R. No. 1293 of 1917

The Hon'ble Mr. S.E.Arthur, I.C.S.,
Commissioner of Customs
Salt, Opium and Abkari.

To

The Resident in Mysore.

Camp Nabobleshwar 8th June, 1917.

Sir,

I have the honour to request the favour of ------ information as regards the rates of still head duty on country spirit obtaining in Mysore Territory -------- bordering on each of the British districts of Dharwar, and Kanara of this Presidency ---------- during the financial year ending the 31st March, 1917.

2. The favour of a reply by the 1st proximo is ---- requested

I have the honour to be,
Sir
Your most obedient servant,

Commissioner of Customs,
Salt, Opium and Abkari.

S 3.—R. P. B.—7-1915.—20,000.

[DRAFT.]

From

To (Here enter letter/C.R./No. 1293, dated the 8th June 1917, from the Commr. of Customs & Ex - Bombay)

No. 6572
dt/12th June 1917.
S.3.6

Acknowledging the foregoing letter is forwarded to the Secy to the Govt. of Mysore, Rev Dept; with the request that, if there be no objection, information asked for therein, may kindly be furnished to this Residency as early as possible

with fair 12.6.17

11.6.17

11/6

11/6/17

W D 2531—GPB—1,000—8-4-16—Stg.

G. R. S. 48]

GOVERNMENT OF H. H. THE MAHARAJA OF MYSORE,

GENERAL AND REVENUE SECRETARIAT,

No. Pol. 1255

RESIDENT'S OFFICE
BANGALORE
Number No. 4719
Date of Receipt From 20/6/17

Dated Bangalore,.....19th.....June.....1917

From B. Ramaswamaiya Esq., B.A., B.L.,

Offg: *Secretary to the Government of H. H. the Maharaja of Mysore,*

Revenue Department.

To

MAJOR T. H. ST. GEORGE TUCKER,

First Assistant to the Hon'ble the Resident in Mysore.

SIR,

S.B. Adverting to your memorandum No.4522 dated the 12th June 1917, requesting to be furnished as early as possible with the information regarding the rates of still head duty on country spirit obtaining in Mysore territory bordering on each of the districts of Dharwar and Kanara in the Bombay Presidency during the financial year ending the 31st March 1917, I am directed to state that throughout the Mysore State duty was levied at the rate of Rs.5-4-0 a gallon of 25° U.P. up to the 1st July 1916 and that from that date the same rate of duty was charged for a gallon of 30° U.P.

I have the honor to be,

Sir,

Your most obedient servant,

B. Ramaswamaiya

Offg: Secretary to Government,

Revenue Department.

B.K.M.

S 3:—R. P. B.—7-1915.—20,000.

454A
-05-

[DRAFT.]

From F. A. R

No. 4896
dt 25th June 1917

To (Here enter letter No. Pol 1255 dated the 19th June 1917, from the Durbar)

S.38

Copy of the foregoing letter is forwarded to the Comm^r of Customs, Salt, Opium & Abkari, Bombay, for information, with reference to his C.R. No. 1293, dated the 8th June 1917

S.36

by E. H. S. James.
for

20.6.17

20/6

29/6

Issued 22/6/17

40

URGENT

From

C. S. No. 357 of 1918.

J. G. Sheppard, Esquire, I.C.S., I.G.P.,
Commissioner of Customs,
Salt and Excise.

RESIDENCY
BANGALORE
Received on 4456
Date of Despatch 18-6-18.

The Resident in Mysore

Bombay, 15th June, 1918.

I have the honour to request the favour of ---
information as regards the rates of still-head duty on ---
country spirit obtaining in Mysore territory ---------
---------- bordering on each of the British ---
districts of Dharwar and Kanara of this Presidency during the financial
year ending the 31st March, 1919.

2. The favour of a reply by the 1st proximo is ---
requested.

I have the honour to be,
Sir,
Your most obedient servant,

Sd. J. G. Sheppard

Commissioner of Customs,
Salt and Excise.

Draft sealed - with pass
19/6
H.H.S.
19/6

19-6-18

4.

R, O. 178. (a) —R. P. B.—1-1918—1,500.

Urgent

MYSORE RESIDENT'S OFFICE,

Bangalore, 19th December 1918

No. 4341
a/1

A copy of the marginally noted letter, ~~with enclosure,~~ is forwarded to the ~~Secy: to the Govt of~~ Mysore Revenue Dept, with the request that if there be no objection the information asked for therein may kindly be furnished to this Residency as early as possible

C.R.No. 357 dated 15-6-18 from the Comr of Customs Salt & Excise, Bombay, re the rates of Still-head Duty on Country Spirit in Mysore.

William

First Assistant Resident

MC 19/6

AS 19/6.

[G.R.S. 48]

G.R.S.M.—2,000—18-7-17

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE,

GENERAL AND REVENUE SECRETARIAT,

No. Pol. 1202 Bangalore, Dated 25th June 1918

From

B. Ramaswamaiya, Esq., B.A., B.L.,

Secretary to the Government of His Highness the Maharaja of Mysore,
Revenue Department.

RECEIPT'S OFFICE
Register No. 4663
Date of Receipt 26-6-18
Page No. 4547

To

Major E. H. S. James,

First Assistant to the Hon'ble the Resident in Mysore.

SIR,

S.41 With reference to your O. M. No. 4341 dated 19th June 1918, S.40 forwarding copy of letter No.C.R. 357 dated 15th June 1918, from the Commissioner of Customs, Salt and Excise, Bombay, requesting to be informed of the rates of still-head duty on country spirits in the Districts of the State bordering on the British Districts of Dharwar and North Canara, I am directed to invite your attention to my letter S(38 No.Pol.1255 dated 19th June 1917 stating that from the 1st July 1916 the rate per gallon of 30 U. P. was Rs.5-4-0 and to state that there has been no change in the rate of the duty since then.

I have the honour to be,

Sir,

Your most obedient servant,

for Secretary to Government
Revenue Department,
(Absent from station)

Please see No. 4041.
Draft dated with pair

VKG.

43-/4591-1905

R. O. 178. (a) —R. P. B.—1-1918.—1,500.

MYSORE RESIDENT'S OFFICE,

Bangalore, 22 July 1918.

No. 4635

A copy of the marginally* noted letter, ~~with enclosure,~~ is forwarded to the Commissioner of Customs, Salt and Excise, Bombay, for information, with reference to his letter C.R. No. 357 dated the 15th June 1918.

*No. 1202 Pol dated 25-6-1918 from the Mysore Durbar re the rates of Still-head duty on country spirit in Mysore.

A copy of the Durbar's letter No. I255 Pol, dated the 1th June 1917 referred to, was forwarded to him under cover of endorsement from this Residency No. 4896, dated the 25th June 1917.

81-42 81-40 81-38 81-39

First Assistant Resident.

enc 22/6

22/6

44

UNOFFICIAL.

No. 183

From

The Hon. Mr. E. L. Sale. B.A., I.C.S.,
Ag. Commissioner of Customs,
Salt and Excise, Bombay.

To

The Resident in Mysore.

Camp Poona, 28th June, 1919.

Sir,

I have the honour to request the favour of information as regards the rates of still-head duty on country spirit obtaining in Mysore territory ------- bordering on each of the British districts of Dharwar and Kanara of this Presidency ----------, during the financial year ending the 31st March, 1919.

2. The favour of a reply by the 10th proximo is requested.

Your most obedient servant,

E. L. Sale

DEPUTY COMMR.
BANGALORE
Letter No. 508 4
P. Date of Receipt 6-7-19

Draft to the Durbar Sirdar

Ans A/c 1/7 Pr 1/7

1-7-19

45

MYSORE RESIDENT'S OFFICE,
Bangalore, 3rd July 1919.

Enc 1

No. 5170/Income

A copy of the marginally* noted letter, ~~with enclosure,~~ is forwarded to the Secy. to the Govt. of Mysore Rev. Dept. for the request that the information asked for therein may kindly be furnished at an early date.

*No. 183 dated 28-6-19 from the Commr. of Customs, Salt & Excise Bangalore

if there is no objection

First Assistant Resident.

R. O. 178 (a).—R. P. S.—2-1919.—1,000.

Rd. 27/6/19

46

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE,

GENERAL AND REVENUE SECRETARIAT.

Bangalore, Dated 7th July 1919

No. Pol. 17/Genl 1

From

B. Ramaswamaiya, Esq., B.A., B.L.,
Secretary to the Government of His Highness the Maharaja of Mysore.
Revenue Department,

To

Major C.T.C. Plowden, I.A.,
The First Assistant to the Hon'ble the Resident in Mysore.

SIR,

With reference to your official memorandum No.5170 dated 3rd July 1919 forwarding copy of letter No.183 dated 28th June 1919 from the Acting Commissioner of Customs, Salt and Excise, Bombay, requesting to be informed of the rates of still-head duty prevailing in the Districts of the State bordering on the Dharwar and North Canara Districts of the Bombay Presidency during the year ending 31st March 1919, I am directed to invite your attention to my letter No.Pol.1202 dated 25th June 1918 stating that from the 1st July 1916 the rate per gallon of 30° U.P. was Rs.5-4-0, and to state that the rate remained unchanged during the period referred to in the communication under advertance. I am also to forward a copy of Notification No.12563/Ex.72-18-9 dated 28th March 1919 enhancing the rate of duty to Rs.6-0-0 per gallon of 35° U.P. in Bangalore City and to Rs.5-4-0 per gallon of the same strength elsewhere in the State with effect from 1st July 1919.

I have the honour to be
Sir,
Your most obedient servant

B. Ramaswamaiya

Secretary to Government,
Revenue Department.

RESIDENT'S OFFICE,
BANGALORE
Register No. 5283
Date of Receipt 8-7-19
R.D.

GRSM.SL.36

GOVERNMENT OF HIS HIGHNESSTHE MAHARAJA OF MYSORE

GENERAL AND REVENUE SECRETARIAT

No. 12563
Ex.73-18-9

Bangalore, Dated 28th March 1919.

NOTIFICATION.

Under Section 17, Clause (f) of the Mysore Excise Regulation and in exercise of all other powers enabling them in this behalf, the Government of His Highness the Maharaja of Mysore direct that the rates of duty to be levied from the 1st July 1919 on all spirits manufactured at the Central Distillery, Bangalore, and sold in any part of Mysore, shall be as follows:-

1. In Bangalore City, Rs.6 per gallon of 35° U.P. and proportionately for higher or lower strengths.

2. Outside Bangalore City, in other parts of the State, Rs.5-4-0 per gallon of 35° U.P. and proportionately for higher or lower strengths.

'By Order'

Sd/- B. RAMASWAMAIYA

Secretary to Government,
Revenue Department.

'C O P Y'

Secretary to Government,
Revenue Department.

R.D.

MYSORE RESIDENT'S OFFICE,

Bangalore, 11th July 1919

No. 54-38/Enc 2

A copy of the marginally* noted letter, with enclosure, is forwarded to the Commissioner of Customs, Salt and Excise, Bombay, for information, with reference to his Letter No. 183, dated the 28th June, 1919. — S.C.

*No. Pol. 17 dated 7/8/1919 from the Mysore Durbar

A copy of the Durbar's letter no. Pol. 1202, dated 25th June 1918, referred to, was forwarded to him under cover of endorsement from this Residency No. 4635, dated the 2nd July 1918. — S.C.

for *First Assistant Resident.*

R. O. 178 (a).—R. P. B.—4-1919.—1,000.

48

Office of the Collector;
(Excise Department)
C. & M. Station, Bangalore.
7th February 1921

From

T. J Tasker, Esquire, O.B.E., I.C.S.,
Collector, Civil and Military Station,
B a n g a l o r e.

To,

Major C. T. C. Plowden, I. A.
First Assistant to the Hon'ble the Resident
in Mysore, Bangalore.

Sir,

I have the honour to enclose a statement showing the total arrack revenue of this Station, the proportion that rentals bear to it and the incidence of rentals per gallon of arrack consumed, for the past 16 years and to state that in order to put the revenue on a more stable basis, I consider that the still head duty on arrack should be raised. In support of this view please read para 2 of letter No. R 85 Abkari/19 dated 5th February 1919 from the Board of Separate Revenue, Madras. Taxation at source is a recognised principle of excise administration.

SL 99
93/14

2. From the figures in column 6 of the statement it will be seen that, for the first 10 years of the period under review, the incidence of rentals (which is a subsidiary tax) on each gallon of arrack consumed was less than Re.1/-. In 1914-15 it rose to Rs. 1.9, last year it rose to Rs. 4.0 and in the current year it is likely to stand at Rs. 4.4. The rates of still head duty and the years of their imposition are given at page 19 of my hand book on Excise.

B

3. An objection to leasing shops for high rentals is that

that shops, bought at speculative prices, find it hard to pay their way when they are worked at a loss, and, as has been my experience in this Station for the past 2 years, are a source of much trouble and annoyance to the administration. The -- raising of the duty ought to reduce rentals and with it the number of cases of licensees falling into arrears with their khists.

4. The duty on a gallon of 35° U.P. arrack in this Station was fixed at Rs. 6/- in 1919-20. In the town of Madras it was fixed at Rs. 6-8-0 in 1918-19. I recommend the duty here being raised to Rs. 7/- or 7-8-0 per gallon (35° U.P.) from 1st July 1921 and, if this meets with the approval of the Hon'ble the Resident, to request that the Mysore Durbar be asked whether they are prepared to make a similar advance on the duty on arrack issued to shops in the Bangalore City area. The effect here will be that about Rs. 1 to 1½ lakhs will be transferred from rentals to still head duty.

5. No change will be necessary in the present minimum retail selling price of arrack i.e. 3 annas 4 pies per dram.

6. This letter is sent in triplicate for convenience of reference to the Board of Revenue if thought desirable.

I have the honour to be,

Sir,

Your most obedient servant,

for Collector

7.2.21

S t a t e m e n t

Enclosure to No. 64 Ex, dated 7th February 1921, from the Collector, C. & M. Station, Bangalore to the First Assistant to the Hon'ble the Resident in Mysore.

Years	Total Revenue	Rentals	Proportion of rentals to total revenue Per cent	Consumption in bulk gallons	Incidence of rentals per gallon consumed
	2	3	4	5	6
1904-05	3,64,203	53,125	14.6 per cent	65,490	0.8
1905-06	3,71,051	62,700	16.8 "	64,916	0.9
1906-07	3,69,027	62,600	16.9 "	64,511	0.9
1907-08	3,92,954	55,405	14.1 "	71,063	0.7
1908-09	4,13,911	66,600	16.0 "	73,118	0.9
1909-10	4,21,724	58,710	13.9 "	76,424	0.7
1910-11	4,53,309	62,250	13.7 "	83,426	0.7
1911-12	4,63,358	75,730	16.3 "	82,694	0.9
1912-13	4,85,967	74,100	15.2 "	87,865	0.8
1913-14	5,19,192	82,200	15.8 "	93,225	0.8
1914-15	4,79,637	1,29,525	27.0 "	66,688	1.9
1915-16	4,81,661	96,300	19.9 "	73,402	1.3
1916-17	5,33,031	2,02,900	38.0 "	62,882	3.2
1917-18	7,99,924	1,88,950	23.6 "	1,16,376	1.6 ~~1.8~~
1918-19	8,49,324	2,47,800	29.1 "	1,14,576	2.1
1919-20	10,73,465	4,30,100	40.0 "	1,07,227	4.0

Bangalore,
9th February 1921.

for Collector 7.2.21
Civil and Military Station,

Encl

MYSORE RESIDENT'S OFFICE,
15-2-1921.

49

No. 173

A copy of the and its letter, with enclosure, is forwarded,

*No. 64, dated the 7th February 1921 from the Collector, C.D. Station, Bangalore

with compliments, to the ~~Chief~~ Secretary to the Government of H. H. the Maharaja of Mysore, Revenue Dept., with the request that the Hon'ble the Resident may be favoured with the views of the Durbar. An extract of para 2 of letter No. R 85 Accts/19 dated the 5th February 1919 from the Board of Revenue referred to is forwarded for information. The Collector's Land Register on the Excise System is also forwarded, for reference & favour of return.

S. 48

Sd/ T. Polwarth,
First Assistant Resident.

Chf. 9/2/21

R. O. 178.—R. P. B.—1-1920.—1,000.

AS 9/2.

50

A259

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

GENERAL AND REVENUE SECRETARIAT,

Dated, Bangalore, 26th Feby 192 1

No. Rg 1 929

From

B. Ramaswamaiya Esqr., B.A.,B.L.,
Secretary to the Government of His Highness the Maharaja of Mysore,
Revenue Department.

To

MAJOR C. T. C. PLOWDEN, I. A.,
First Assistant to the Hon'ble the Resident in Mysore.

Sir,

S.49 459 I am directed to acknowledge receipt of your endorsement No.1731/A/1905 dated 15th February 1921, forwarding for the views of the S.48 Durbar, letter No.64 dated 7th February 1921 from the Collector, Civil and Military Station, Bangalore, regarding the increase of still head duty on arrack in the State, and to inform you that the matter is receiving consideration and that a reply will be sent on the subject as early as possible.

RESIDENT'S OFFICE,
BANGALORE.
Register No. 1787
Date of Receipt 1.3.21
File No. 455 A
38

I have the honour to be,

Sir,

Your most obedient servant,

B Ramaswamaiya

Secretary to Government,
Revenue Department.

RN.

Please see S.S.:48 & 49
Further communication may be awaited.
CKS. 2/3/21. AS 2/3

A259

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE,

GENERAL AND REVENUE SECRETARIAT,

Dated, Bangalore, 29th March 1921

No. Pol 1004 Encl 1

From

B. Ramaswamaiya Esqr., B.A.,B.L.,
Secretary to the Government of His Highness the Maharaja of Mysore,
Revenue Department.

To

MAJOR C. T. C. PLOWDEN, I. A.,
First Assistant to the Hon'ble the Resident in Mysore.

Sir,

549 With reference to your Official Memorandum No.1731/459-A/1905 dated 15th February 1921 forwarding for opinion copy of letter No.64 dated 7th February 1921 from the Collector, Civil and Military Station, Bangalore, regarding the proposal to enhance the duty on arrack from Rs.6 to Rs.7 or Rs.7-8-0 per gallon, I am directed to state that the Durbar would suggest deferring the question of enhancing the duty till at least 1st July 1922, when the question of enhancing it more or less to the rates prevailing in the Madras Presidency will be taken up for consideration.

2. As desired, the hand-book on Excise System in the Civil and Military Station is returned, with thanks.

I have the honour to be,

Sir,

Your most obedient servant,

B Ramaswamaiya

Secretary to Government,
Revenue Department.

RESIDENT'S OFFICE,
BANGALORE.
Register No. 1586
Date of Receipt 31.3.21
File No. 459/05

Plain see S.Nos. 48, 49 & 50.
Draft Submitted.
AO 4/4 5.4.21

MYSORE RESIDENT'S OFFICE,

Bangalore, 8th April 1921

No, 3441 Ea-1

* S. No. 51

A copy of the marginally* noted letter, ~~with enclosure,~~ is forwarded to the Collector, Civil and Military Station, Bangalore for information with reference to his letter *No. 64 dated 7th February 1921.

*No. Pol. 1004 dated 29th March 1921 from the Secretary to the Government of Mysore, Revenue Department

S. N. [illegible]

First Assistant Resident.

4-4-21

R. O. 178. (a).—B. P. B.—4-1920.—3,000.

4/4

Office of the Collector,
(Excise Department)
C. & M. Station, Bangalore.
26th January 1922

No. 12 Ex.

From

T. J. Tasker, Esquire, O.B.E., I.C.S.,
Collector, C. & M. Station, Bangalore.

To

Major C. T. C. Plowden, I.A.,
Secretary to the Resident in Mysore.

Sir,

459 R/05

Duty on arrack

2484
Receipt 28-1-22
459 R/05

I have the honour to invite attention to your endorsement No. 3441/459-A/1905 dated the 8th April 1921 forwarding copy of letter No. Pol. 1004 dated the 29th March 1921 from the Secretary to the Government of His Highness the Maharaja of Mysore and to request that the Durbar may be asked what action is being taken regarding raising the duty on arrack from 1st July 1922.

I have the honour to be,
Sir,
Your most obedient servant,

for Collector.

Please see resolution and the L.U.C Draft to Durbar is submitted

30.1.22

R. O. No. 8.—H. P. B.—11-1931.—5,000.

No. 194 ENCLS. Dated Bangalore, 1st February 1932

FROM

Major C T C Plowden D.A

SECRETARY TO THE RESIDENT IN MYSORE

To

The Secy to the Govt of H.H. the Maharaja of Mysore, General Depts.

SIR,

Subject – Raising the duty on Arrack.

I am directed to refer to Mr S.51 Ramaswamaiya's letter No. Pol. 1004 dated the 29th March on the above subject and to enquire what action is being taken by the Durbar regarding the raising of the duty on arrack from 1st July 1922.

I have &c

J H Ann. Rees
Secy. to Resident

30.1.27

N.S. 30/1

55

A259

24/2 GOVT HIS HIGHNESS THE MAHARAJA OF MYSORE,

GENERAL AND REVENUE SECRETARIAT,

Dated, Bangalore, 21st February 1922

No. Rev. 784

RESIDENT'S OFFICE
BANGALORE.
Received No. 1511
Date of Receipt 22-2-22

From C. Venkata Rao Esqr., B.A.,
Secretary to the Government of His Highness the Maharaja of Mysore,
Revenue Department.

To

MAJOR C. T. C. PLOWDEN, I. A.,
Secretary ~~*First*~~ *Assistant to the Hon'ble the Resident in Mysore.*

Sir,

S.54 With reference to your letter No.1194 dated 1st February 1922, I am directed to state that, with effect from 1st July 1922 the duty on country spirits in the Mysore State will be raised to Rs.6-8-0 per gallon of 35° U.P. in the Bangalore and Mysore cities and the Bowringpet Taluk and to Rs.5-8-0 per gallon of the same strength in all other places in the State.

I have the honour to be,

Sir,

Your most obedient servant,

Secretary to Government,
Revenue Department.

Please see Sls. 48, 49, 51, 53 & 54.

Draft submd.
CAS
25/2/22.
VBS
27/2

MYSORE RESIDENT'S OFFICE,

Bangalore, 6th March 1922.

No. 2164 Secret

A copy of the marginally* noted letter, ~~with enclosure~~, is forwarded to the... Collector, Civil Station of Bangalore ..... for information, with reference to the correspondence ending with this letter No. 12 Ex, dated the 26th Jan'y 1922.

'No. Pol 784, dated the 21st February 1922 from the Secy to the Govt of Mysore, Revenue Dept'

S.55

2. In these circumstances, he is requested to communicate his further views on the proposals contained in para 4 of his letter No. 64, dated the 7th Feb'y

S. 2

J. D. V.

First Assistant Resident.
Secretary to

C.P.C. 25/2/22

R. O. 178. (a).—R. P. B.—4-1920.—3,000.

25/2

57

Office of the Collector,
(Excise Department)
C. & M. Station, Bangalore.
25th March 1922

No. 71 Ex.

From

Austin, Esquire, I.C.S.,
Collector, C. & M. Station,
B a n g a l o r e .

To

Major C. T. C. Plowden, I.A.,
Secretary to the Resident in Mysore,
B a n g a l o r e .

PRESIDENT'S OFFICE,
BANGALORE.
2470
Date of Receipt 27-3-22

Sir

Duty on arrack.

S 56.

With reference to your endorsement No. 2164 dated the 6th March 1922, I have the honour to state that the duty on country arrack at the strength of 35 U.P. may also be raised to Rs. 6-8-0 per gallon in the Station from 1st July 1922.

I have the honour to be,
Sir,
Your most obedient servant,

for Collector.

25-3-22

Please see Rs. 48 (para 4) 55056.
and also Instruction 4 (2) of the Excise Regns.
Draft / Submitted

C.N.S. 28/3/22

A.S. 30/3

Revised

Is notification issued?

31-3

4141

3/4 -BOLOG.

F. O. No. 2.—R. P. B.—11-1921.—5,000.

58

Dated Bangalore, 7th April 1922

FROM

The Hon'ble
SECRETARY to THE RESIDENT IN MYSORE

To

Notification

dated Bangalore the)

Sir,

Under Section 24 (1) (b) of the Excise Regulation, I of 1915, as applied to the Cantonment of Bangalore, the Hon'ble the Resident is pleased to direct that the duty on country arrack of the strength of 35° U.P. shall be ~~raised~~ fixed at Rs Rs 6-8-0 per gallon in the Cantonment of Bangalore from 1st July 1922.

By order

31/3/22

Secretary to the Resident

To be published in the Residency Orders.

To, The Collector, Cantonment of Bangalore,

S.57 with reference to his letter No. 71-Ex, dated the 25th March 1922,

The Secretary to the Govt of Madras, Revenue Dept,

S.55 with reference to his letter No. 007-84, dated the 21st February 1922.

CSR 28/3/22

VSD 30/3